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MONTANA FACT FINDING COMMITTEE
HIGHWAYS, STREETS AND BRIDGES

P. O. BOX 921
HELENA, MONTANA

March 8, 1957

STATE DOCUMENTS

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To All Members of the
Montana Fact Finding Committee and
The Montana Council for Highway Research

Enclosed is a photostatic copy of a motor vehicle department bill which was prepared for presentation to the 1957 legislative assembly. It was not submitted to that group because of some technical flaws and inability to codify the definitions of words and phrases used throughout the bill.

As a substitute, a measure was prepared which was designated H. B. 293, and would have accomplished the same end over a period of about two to four years. This bill was rejected by the legislature. It is possible that the enclosed bill should be worked over and presented to some future legislature if the establishment of a motor vehicle department for Montana appears to be desirable.

Very truly yours

Wm. L. Hall
Executive Director

WLH:mk
enclosure

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NOTE: This act is intended to be a companion bill with the proposed MONTANA HIGHWAY USE ACT. If the latter act is not enacted, this act should be amended to include the functions described in Chapter 6, Title 53, "Additional Fees or Taxes on Motor Vehicles" (Gross Vehicle Weight Law) under the Director of Motor Vehicles within this act.

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MOTOR VEHICLE DEPARTMENT ACT

A BILL FOR AN ACT ENTITLED: "AN ACT CREATING A DEPARTMENT OF MOTOR VEHICLES; CODIFYING, RECODIFYING AND REVISING PRIOR LAWS; SETTING FORTH PURPOSE, FUNCTIONS AND AUTHORITY OF DEPARTMENT; AUTHORIZING THE ORGANIZATION OF THE DEPARTMENT AND EMPLOYMENT OF SUBORDINATES; AUTHORIZING OFFICE SPACE; ARRANGING THE FINANCING OF THE DEPARTMENT AND ITS FUNCTIONS; PROVIDING FOR ADOPTING RULES AND REGULATIONS, SEAL, BADGE, UNIFORM, AND MAKING WRONGFUL USE A MISDEMEANOR; CONFERRING AUTHORITY TO SUMMON, ADMINISTER OATHS, ACKNOWLEDGMENTS, SERVICE AND ENFORCEMENT OF ORDERS; PROVIDING METHOD OF GIVING NOTICES AND PROOF THEREOF; AUTHORIZING THE EXERCISE OF POLICE FUNCTIONS, INSPECTION, INVESTIGATION, SEIZURE, AND OTHER ACTIVITIES; ESTABLISHING A HIGHWAY PATROL AND PROVIDING FOR ITS ADMINISTRATION, AUTHORITY AND DUTIES; GOVERNING THE LICENSING OF OPERATORS, EXAMINATION OF DRIVERS, COLLECTION OF FEES, PENALTIES AND AUTHORITY OF THE DEPARTMENT IN CONNECTION WITH SUCH FUNCTIONS; PROVIDING FOR A HIGHWAY PATROLMEN'S RETIREMENT SYSTEM, BOARD, ELECTIONS, ADMINISTRATION, AND AUTHORITY; PROVIDING FOR THE MEANING OF 'MONTANA HIGHWAY PATROL BOARD', 'SUPERVISOR', AND 'STATE HIGHWAY COMMISSION' AS THOSE TERMS ARE USED ELSEWHERE IN THE LAWS; PROVIDING FOR A DIVISION OF REGISTRATION, A REGISTRAR, LICENSES, FEES, PERMITS, PENALTIES, RECORDS, CERTIFICATES, DELEGATION OF AUTHORITY, DUTIES, ADMINISTRATION OF THE DIVISION AND ITS AUTHORITY, AND ACCOUNTING FOR FUNDS; PROVIDING FOR LICENSE TAXES ON GASOLINE DEALERS AND DISTRIBUTORS, AND A SPECIAL FUEL TAX, ACCOUNTING FOR FUNDS, ALLOCATING FUNDS, AND THE AUTHORITY AND ADMINISTRATIVE POWER OF THE DIRECTOR IN CONNECTION WITH SUCH LICENSING; PROVIDING FOR THE TIME OF TAKING EFFECT OF THE VARIOUS SECTIONS OF THIS ACT BY EXECUTIVE ORDER OF THE GOVERNOR; REPEALING CERTAIN LAWS AS OF THE TIME WHEN EXECUTIVE ORDERS OF THE GOVERNOR SO DECLARES:

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PROVIDING FOR THE EFFECT OF AN ADJUDICATION THAT PART OF THIS ACT IS UNCONSTITUTIONAL."

Be It Enacted by the Legislative Assembly of the State of Montana:

Section 1. CREATION OF DEPARTMENT, PURPOSE. A department of the government of the State of Montana to be known as the Department of Motor Vehicles is hereby created. The department is created for the purpose of administering laws under which are derived monies from fees, excises or license taxes relating to registration, operation or use of vehicles on the public highways or to fuels used for the propulsion of such vehicles (except fees and charges paid to the board of railroad commissioners and the public service commission or its successor or successors by motor carriers pursuant to law); for the purpose of dissemination of public information relating to the public highways, roads, streets and bridges of the state of Montana and the use thereof; for the purpose of recodifying, codifying, revising and consolidating into one department under unified administration the various licensing, registering, patrolling, taxing and other functions relating to the operation and control of motor vehicles which are or may hereafter be provided for by law; and for the purpose of administering and carrying out this law.

Section 2. APPOINTMENT OF DIRECTOR, SALARY, SUCCESSORS AND REAPPOINTMENTS. The department shall be under the control of an administrator, appointed by the Governor by and with the consent of the Senate, who shall be designated the Director of Motor Vehicles, and shall be paid a salary (not in excess of Twelve Thousand Dollars ($12,000.00) per annum) to be designated and fixed by the Governor at the time of his appointment, and at the time of his reappointment or the

appointment of any successor or suceessors or any interim Direetor to the offiee of Director. In any ease where the office of Direetor is vacant, whether by reason of death, resignation, or after a term of office of a Direetor has expired but prior to the approval of the Senate of a suceessor, or for any other reason, the Governor shall have power to appoint an interim Director and fix his salary within the said limit. The term of office of each Director or interim Director shall expire with the expiration of the term of office being served by the Governor who appointed him at the time of such appointment; except that the term of office of an interim Director appointed by a Governor at the beginning of the Governor's term and before consent by the Senate, shall expire at the time when the Senate takes action upon his appointment and he shall thereupon cease to be an interim Director. If the Senate consents to such appointment, said interim Director shall be the Director; if the Senate acts to decline to consent to such appointment the Governor shall within seven (7) days nominate three (3) persons to the office of the Director, and the Senate may within seven (7) days thereafter consent to one of them who shall be the Direetor; or in absence of such action within said time by the Senate, it shall be conclusively presumed that the Senate consents to the selection of any one of such three nominees by the Governor at his discretion, and that one shall be Direetor.

Section 3. ORGANIZATION OF DEPARTMENT, EMPLOYEES, SALARIES, APPROVAL, CHANGES IN DEPARTMENT. The Director shall, immediately upon his appointment as aforesaid plan the organization of the department and the taking over of functions included in this law. He shall appoint such deputies, subordinate offieers, elerks, investigators, division heads.

and other subordinates and employees as may be necessary to carry out this law, such appointments to be effective July 1, 1957. The salary of each such person shall be fixed by the Director. The Director shall always have power to plan and execute organizational or functional changes in the Department to facilitate carrying out this law.

Section 4. OFFICES. The Director shall maintain an office in the State Capitol and in such other places in the State as may be necessary to properly carry out this law. This shall include the establishment of a division of registration and operators' licenses in the city of Deer Lodge and the warden of the State Prison shall provide quarters therefor unless and until the Director chooses other satisfactory space in said city.

Section 5. FINANCES, REVENUES, FUNDS, AVAILABILITY AND TRANSFER OF FUNDS, APPROPRIATIONS. The unexpended balances of all special funds (except appropriations from the general fund and the state highway fund, and except the Montana Highway Patrolmen's Retirement Fund, and except the gasoline license drawback fund) available for expenditure on June 30, 1957, and which are for administering or enforcing the duties, functions and power included or taken over in this law, shall be remitted to the State Treasurer on said date (or in the event that he is in custody of any such funds at said time, he shall deposit and credit them as in the case of funds remitted to him hereunder), and the State Treasurer shall thereupon deposit and credit all such funds to the State Highway Fund, thereby expending the said unexpended balances.

All accounts and expenditures of the Department shall, unless otherwise provided, be authorized by appropriation from the State Highway Fund, certified by the Director, approved by the State Board of Examiners, and paid by the State Treasurer

by warrants drawn by the State Auditor on the State Highway Fund, on the basis of budgets submitted by the Director.

Notwithstanding the foregoing, however, so long as monies received from the collection of motor vehicle drivers' license fees are deposited to the credit of the general fund, pursuant to section 10(f) of this law, the highway patrol functions and highway patrolmen's retirement system shall receive appropriations from the general fund for administrative expenses.

Section 6. RULES AND REGULATIONS, SEAL, BADGE, UNIFORM, UNAUTHORIZED USE OF BADGE OR UNIFORM A MISDEMEANOR. The Director is hereby authorized to adopt and enforce such rules and regulations as may be necessary to carry out the provisions of this law and any laws, the enforcement and administration of which are vested in the Department.

The Director may adopt an official seal for the use of the Department.

The Director may design, order and issue to duly appointed and acting employees of the Department a badge of authority. Any person who, without authority, wears such badge or a badge of similar design which would tend to deceive anyone, is guilty of a misdemeanor. Employees charged with the duty of patrolling the highways shall dress in distinctive uniform and display a badge when on duty. Any person who impersonates an employee of the Department with intent to deceive anyone, or who, without authority, wears a uniform likely to be confused with the official uniform of any such employee, is guilty of a misdemeanor.

Section 7. SUMMONS, OATHS, ACKNOWLEDGMENTS, SERVICE, ENFORCEMENT OF ORDERS. The Director, and other employees authorized by the Director, shall have authority to administer oaths and acknowledge signatures, and to summon witnesses

to give testimony under oath or to give written depositions upon any matter under the jurisdiction of the Department. Such summons may require the production of relevant books, records or papers.

Every such summons shall be served at least five (5) days before the return date, either by personal service made by any person over the age of eighteen (18) years, or by registered mail, but return acknowledgment is required to prove such latter service. The fees for the attendance and travel of witnesses shall be the same as for witnesses before the District Court.

The District Court shall have jurisdiction, upon application of the Director, to enforce all lawful orders of the Director under this section and non-compliance with any order of a District Court pursuant hereto shall be punishable as a contempt.

Section 8. NOTICES, METHOD OF GIVING, PROOF. Whenever the Department is authorized to give any notice under this law, or other law regulating the operation of vehicles, unless a different method of giving such notice is otherwise expressly prescribed, such notice shall be given either by personal delivery thereof to the person to be so notified, or by deposit in the United States mail of such notice in an envelope with postage prepaid, addressed to such person at his address as shown by the records of the Department. The giving of notice by mail is complete upon the expiration of four (4) days after such deposit of said notice. Proof of the giving of notice in either such manner may be made by the certificate of any officer or employee of the Department or affidavit of any person over eighteen (18) years of age, naming the person to whom such notice was given and specifying the time, place and manner of the giving

thereof.

Section 9. POWERS OF AUTHORITY, POLICE FUNCTIONS, INSPECTION, INVESTIGATION, SEIZURE. The Director and such officers and inspectors of the Department as he shall designate shall have the power:

(a) Of peace officers for the purpose of enforcing the provisions of this law and of any other law regulating the operation of vehicles or the use of any highway, road or street in Montana.

(b) To make arrests upon view and without warrant for any violation committed in their presence of any of the provisions of this law or other law regulating the operation of vehicles or the use or operation of vehicles or the use of the highways.

(c) At all times to direct traffic in conformance with law and in the event of a fire or other emergency or to expedite traffic or to insure safety, to direct traffic as conditions may require notwithstanding the law otherwise applicable.

(d) When on duty, upon reasonable belief that any vehicle is being operated in violation of any provision of this law, or of any other law regulating the operation of vehicles, to require the driver thereof to stop and exhibit his driver's license and the registration card issued that vehicle, and submit to an inspection of such vehicle, the registration card thereon or to an inspection and test of the equipment of such vehicle.

(e) To inspect any vehicle of a type required to be registered hereunder in any public garage or repair shop or in any place where such vehicles are held for sale or wrecking, for the purpose of locating stolen vehicles and investigating the title and registration thereof.

(f) To serve all warrants relating to the enforcement of this law.

(g) To investigate traffic accidents and secure testimony of witnesses or of persons involved.

(h) To investigate reported thefts of motor vehicles, trailers and semi-trailers.

(i) To establish a school for the training and education of the employees of the Department, the promotion of traffic safety and enforcement of the laws regulating the operation of vehicles and the use of highways.

(j) To examine and determine the genuineness, regularity and legality of every application for registration of a vehicle for a certificate of title thereof, and for an operator's or chauffeur's license, and of any other application made to the Department and may, in all cases, make investigation as may be deemed necessary or require additional information and shall reject any such application if not satisfied of the genuineness, regularity, or legality thereof or the truth of any statement contained therein or for any other reason when authorized by law.

(k) To take possession of any certificate of title, registration card, permit, license or registration plate issued by it upon expiration, revocation, cancellation or suspension thereof; to take possession of any such articles as have been unlawfully or erroneously issued, or which are fictitious.

(l) To compile or direct the compilation of statistics relative to motor vehicle and operator registration, highway accidents, enforcement activities, fuel tax collection and refunds, and such other matters as are deemed useful and appropriate.

Section 10. ESTABLISHMENT OF HIGHWAY PATROL, ADMINIS-

TRATION, AUTHORITY. The Director is hereby authorized to establish within the Department a "Montana Highway Patrol", taking over the existing organization as hereinafter provided under the control and supervision of the Director.

a. SUPERVISOR, TERM, SALARY, SUPERVISORY POWER, RESIDENT REQUIREMENT. The Director shall select a highway patrol supervisor who shall hold his office until his appointment has terminated for cause, as hereinafter set forth. The supervisor shall have direct control and supervision of all patrolment, subject to the approval of the Director. The person named as supervisor shall have been a continous resident of Montana for at least five (5) years.

b. QUALIFICATIONS OF PATROLMEN, SALARY, PROBATIONARY TRAINING, DISCHARGE, DEMOTION,SUSPENSION, HEARING. The supervisor shall designate captains, not to exceed five (5) in number, sergeants, not to exceed nine (9) in number, and patrolmen in such numbers as the board may deem necessary. Said patrolmen shall be chosen in equal numbers in the twelve (12) highway districts, provided however, that if sufficient qualified applications are not received from any one district that the board may in its discretion substitute other qualified applicants from any other districts. Replacements and additions to the force shall be selected in the same manner. The salary of the supervisor, captains, sergeants and patrolmen shall be fixed by the Director.

(a) Partolmen shall possess the following qualifications:

1. Sound and active physical and mental condition.
2. Good moral character.
3. Resident of Montana for at least five (5) years last past.

4. Pass a satisfactory test in the operation of automobiles.

5. Not over fifty-five percent (55%) of the patrol shall belong to one political party.

6. Citizen of the United States and State of Montana.

For the purposes of this act, the supervisor, captains, sergeants and patrolmen shall all be deemed patrolmen. The Director shall prepare a schedule of compensation and expenses for all patrolmen and submit it to the state board of examiners for their approval, in conformity with this act. All patrolmen shall be placed under probationary training and service for a period of six (6) months to one (1) year, during which time the highway patrol supervisor must recommend to the Director for permanent appointments or the patrolmen will automatically be dismissed. All captains and sergeants shall be placed under probationary training and service for a period of six (6) months to one (1) year, during which time the highway patrol supervisor must recommend to the Director for permanent appointments or the captains and sergeants will automatically revert to their previous ranks without prejudice. Patrolmen filling vacancies caused by incumbents' entrance into the armed forces of the United States, shall, on the return of the incumbents be placed in the patrol reserve, without pay; otherwise they shall hold their permanent appointments while there are sufficient operating funds. Reserve patrolmen shall then be used for future replacements in the permanent patrol.

Every person employed or appointed and designated as a supervisor, captain, sergeant, or patrolman under and pursuant to the provisions of this act, except as above provided, shall continue in service and hold his position without demotion until suspended, demoted, or discharged in

the manner hereinafter provided, for one or more of the causes specified in the following paragraph.

(b) Cause for suspension, demotion, or discharge will be:

1. Conviction of any crime involving moral turpitude in any court of competent jurisdiction subsequent to the commencement of such employment.

2. Gross neglect of duty or wilful violation or disobedience of orders or regulations.

3. Loitering about or entering places of ill fame, ill repute, or where gambling is known to be conducted or to be in progress, except in the immediate discharge of duty.

4. Conduct unbecoming an officer.

5. Drinking intoxicating liquor while using state-owned cars or in uniform, or being intoxicated in a public place.

6. Sleeping while on duty.

7. Incapacity, or partial incapacity, materially affecting his ability to perform his official duties.

8. Gross inefficiency in performing duties.

9. Active participation in any political campaign by supporting or opposing, directly or indirectly, any political candidate, or contributing financially or otherwise, directly or indirectly, to the success or defeat of any political party or candidate. The charge or charges against any such employee shall be made in writing and shall be signed and sworn to by the person making the same, which written charge or charges shall be filed with the supervisor of the Montana highway patrol. Any charges involving suspension or dismissal of the supervisor or a captain shall be filed directly with the Director.

Upon filing of the same, if the supervisor, in his opinion, believes that such charges constitute grounds for

discharge, he shall order a hearing to be had thereon before an ad hoc committee of three (3) appointed by the Director, and fix a time for such hearing, otherwise he shall dismiss such charges.

(c) At least ten (10) days before the time appointed for said hearing, written notice specifying the charge or charges filed and stating the name of the person or persons making the charge or charges shall be served on the said employee personally, if his whereabouts is known, in the state of Montana. If at the time, the whereabouts of the said employee is unknown, or if he be outside of the state of Montana, service may be made upon him by mailing the said written notice to him at his last known place of residence in Montana.

If the supervisor orders a hearing he may suspend such employee pending the rendition of the decision made in such case.

The committee appointed by the Director shall be the authority to hear such charge or charges and render a decision and appropriate order.

The committee appointed by the Director shall have the power to compel the attendance of witnesses at any such hearing and to examine them under oath and to require the production of books, papers, and other evidence at such hearing and for that purpose issue subpoenas and cause the same to be served and executed in any part of the state.

The employee accused shall be entitled to be confronted with the witnesses against him and have an opportunity to cross-examine the same and to introduce at such hearing testimony in his own behalf and shall be entitled to be represented by counsel at such hearing. The committee

appointed by the Director shall within fifteen (15) days after such hearing render its decision in writing and file same in its office with the supervisor, the employee accused, and with the Director.

If, after such hearing, the committee finds that any such charge or charges made against the employee are true, it may recommend that the Director punish the offending party by reprimand, suspension without pay, demotion, or dismissal. The Director is hereby authorized to follow such recommendation, if in his opinion it seems appropriate.

(d) Any employee who is so suspended, demoted, or dismissed may have a right of appeal to the district court of Lewis and Clark county, within ten (10) days after such decision or determination of the Director, and said court shall review such decision or determination in a summary manner and shall render its decision upon such appeal within ninety (90) days from the filing of such appeal in said court. If such a decision or determination of the Director shall be finally reversed or modified by said court, the said employee shall be reinstated in his position and the Director shall pay to the said employee any salary or wages withheld from him pending the determination of the charge or charges, or as may be directed by the court.

The Director shall have the authority to order the supervisor to file charges with the Director if the supervisor in his judgment does not believe the charge or charges warrant a hearing.

When the highway patrol supervisor has cause to believe that any member of the highway patrol has violated any of the hereinabove specified grounds for suspension, demotion or discharge, or his conduct has warranted reprimanding, he may, with the approval of the Director

suspend, demote or reprimand the member. Suspension shall be without pay and for a period not to exceed twenty (20) days in time. In cases of demotion, the member shall receive the pay of the classification to which he is demoted.

c. EQUIPMENT OF PATROLMEN. The Director may authorize the supervisor to furnish patrolmen with automobiles equipped and fitted with a distinctive siren and a particularly designated light for use at night; with uniforms and equipment necessary for the performance of their respective duties: provided that any such equipment and uniforms shall remain the property of the state of Montana: provided further, that the said Director shall have authority to destroy, sell, or dispose of any and all obsolete equipment or uniforms or parts thereof, and any moneys received therefrom shall be paid into the state general fund.

d. OFFENSES FOR WHICH ARREST MAY BE MADE BY PATROLMEN, MURDER, ETC., PATROLMEN WHEN POLICE OFFICERS, FORBIDDEN TO ACT IN LABOR DISPUTES OR CONGREGATE TO PRESERVE PEACE IN ONE COUNTY, TEMPORARY CONTROL OF TRAFFIC IN CITIES AND TOWN, INVESTIGATIONS OF ACCIDENTS, EXAMINATION AS TO ABILITY OF PERSON TO OPERATE VEHICLE, INSPECTION OF LIVESTOCK. In addition to the above duties, the highway patrol supervisor and all patrolmen are authorized under this act to make arrests for the following offenses committed; if committed in the presence of said supervisor or any of said patrolmen, or if committed in a rural district, upon the request of a peace officer, or if committed in a city or town of less than twenty-five hundred (2500) inhabitants, upon the request of any peace officer, or the mayor of said city or town:

The crimes of murder, assault with a deadly weapon, arson, burglary, larceny, kidnapping, illegal transportation of narcotics, or violation of the Dyer act regarding the transportation of stolen automobiles. Provided, that such highway patrolmen shall have no authority and are expressly forbidden to make arrests in labor disputes or in preventing violence in connection with strikes, and shall not be permitted to perform any duties whatsoever in connection with labor disputes, strikes or boycotts, and shall not be permitted to congregate or act as a unit in one county to suppress riots or preserve the peace.

Patrolmen shall be deemed police officers in making arrests in all offenses occurring on the highways and in the use of motor vehicles or the registration thereof, and for the purpose of serving warrants of arrest in connection with such violations.

The highway patrol shall have the authority to examine any person operating a motor vehicle, who is a repeated violator of traffic regulations or who appears to be mentally or physically deficient, to determine his ability to operate a motor vehicle, and if, after such examination, it reasonably appears to said examiner that said person is unsafe or unfit to operate a motor vehicle, the examiner may recommend to the justice court or district court for issuance of an order prohibiting such person from operating any motor vehicle and revoking his driver's license. A written copy of the order shall be delivered to the registrar of motor vehicles, who shall repossess such person's driver's license and refuse to sell a driver's license to such person until the receipt of instructions from the highway patrol that said order of revocation has been cancelled.

The patrolmen are also hereby empowered to stop any truck or motor vehicle in which livestock or livestock products are being transported and ascertain whether the driver of such truck or vehicle is rightfully in possession of such livestock or livestock products; and whenever the patrolmen have good reason to believe that such livestock or livestock products have been stolen, they are empowered to take possession of the same until such livestock or livestock products can be delivered into the custody of the sheriff or until such time as the facts as to the actual ownership can be ascertained.

e. DUTY OF PATROLMAN UPON MAKING AN ARREST, POWER TO FIX AND ACCEPT BAIL, FEES OF JUSTICES OF PEACE. Patrolmen, upon making an arrest, shall either deliver the offender to the nearest justice of the peace during office hours, or to the county jail, or in lieu thereof, deliver to the offender a form of summons describing the nature of the offense with instructions thereon for the offender to report to the nearest justice of the peace, or in lieu of reporting to the nearest justice of the peace, the patrolman has the right to set and accept a deposit for appearance justifiable for the offense charged. In the event the patrolman sets and accepts bail, he shall give a signed receipt to the offender setting forth the amount received. The patrolman shall then deliver the bail money to the justice of the peace before whom the offender is to appear, and the justice of the peace shall give a receipt to the patrolman for the amount of bail money delivered. After filing of the complaint and appearance of the defendant, the justice of the peace shall assume jurisdiction and may set, fix and accept further appearance bail bond.

For the purpose of this act only, the fees of justices of the peace in all offenses in which the statutory fine is five dollars ($5.00) or less, shall be one dollar ($1.00), but if the statutory fine is in excess of five dollars($5.00), the justices of the peace shall be permitted the fee now prescribed by law; provided that no additional fees shall be paid justices of the peace where salaries are fixed by law.

f. DISPOSITION OF MONEYS. The state treasurer shall deposit to the credit of the state general fund all moneys received by him from the collection of motor vehicle driver's license fees under this law.

g. FEES, FINES AND FORFEITURES. All fees, fines and forfeitures collected in any court from persons apprehended or arrested by patrolmen for violation of this act and the laws and regulations relating to the use of state highways and the operation of vehicles thereon must be paid to the state treasurer of Montana and by him credited to the general fund of the state; and at the time of payment of any such fee, fine or forfeiture there shall be filed with the state treasurer a complete statement showing the total of the fees, fines or forfeitures received or incurred, which statement shall give the title of the court and cause and be subscribed to by the person or officer making such payments.

h. COURT COSTS, FEES AND EXPENSES OF COUNTIES. The court, after deducting all costs and fees, shall immediately transmit the balance of said fine to the state treasurer as provided by law. The expenses of the county, except fees of officers who are paid a regular salary, shall constitute a proper claim against the state of Montana and said claim or claims shall be paid in the

manner provided by law out of the funds appropriated for such purposes.

i. REPORTS. Justices of the peace and county treasurers shall furnish to the highway patrol statements of all fees, fines and forfeitures and records of cases which involve the state highway patrol as the Director may request.

Section 11. LICENSING, DRIVERS EXAMINATION, ADMINISTRATION, AUTHORITY. The Director is hereby authorized to establish within the Department a drivers' examination section under his general supervision, and under the immediate supervision of a chief examiner appointed by the Director at a salary to be established by the Director. The Director may appoint such employees and assistants, with such titles as seem to him reasonably descriptive, and such clerical help, all of the foregoing with such salaries, as are appropriate.

a. Definitions. The following words and phrases, when used in sections of this law shall have the meanings respectively ascribed to them hereunder:

(1) VEHICLE, MOTOR VEHICLE, FARM TRACTOR, SCHOOL BUS.

(a) Vehicle. Every device in, upon, or by which any person or property is or may be transported or drawn upon a public highway, excepting devices moved by human or animal power or used exclusively upon stationary rails or tracks.

(b) Motor Vehicle. Every vehicle which is self-propelled and every vehicle which is propelled by electric power obtained from overhead trolley wires, but not operated upon rails.

(c) Farm Tractor. Every motor vehicle designed and used primarily as a farm implement for drawing plows,

mowing machines, and other implements of husbandry.

(d) School bus. Every motor vehicle owned by a public or governmental agency and operated for the transportation of children to or from school or privately owned and operated for compensation for the transportation of children to or from school.

(2) PERSON, OPERATOR, CHAUFFEUR, OWNER. (a) Person. Every natural person, firm, copartnership, association, or corporation.

(b) Operator. Every person, other than a chauffeur, who drives or is in actual physical control of a motor vehicle upon a highway or who is exercising control over or steering a vehicle being towed by a motor vehicle.

(c) Chauffeur. Every person who is employed by another for the principal purpose of driving a motor vehicle and every person who drives a school bus transporting school children or any motor vehicle when in use for the transportation of persons or property for compensation, but shall not include persons driving farm trucks or hauling farm products for producers of said farm products.

(d) Owner. A person who holds the legal title of a vehicle or in the event a vehicle is the subject of an agreement for the conditional sale or lease thereof with the right of purchase upon performance of the conditions stated in the agreement and with the immediate right of possession vested in the conditional vendee or lessee, or in the event a mortgagor of a vehicle is entitled to possession, then such conditional vendee or lessee or mortgagor shall be deemed the owner for the purpose of this act.

(3) NONRESIDENT. Every person who is not a resident of this state.

(4) STREET OR HIGHWAY. The entire width between the boundary lines of every way publicly maintained when any part thereof is open to the use of the public for purposes of vehicular travel.

(5) SUSPENSION, REVOCATION AND CANCELLATION. (a) Suspension means that the driver's license and privilege to drive a motor vehicle on the public highways are temporarily withdrawn but only during the period of such suspension.

(b) Revocation means that the driver's license and privilege to drive a motor vehicle on the public highways are terminated and shall not be renewed or restored, except that an application for a new license may be presented and acted upon by the board after the expiration of at least one (1) year after date of revocation.

(c) Cancellation means that a driver's license is annulled and terminated because of some error or defect or because the licensee is no longer entitled to such license, but the cancellation of a license is without prejudice and application for a new license may be made at any time after such cancellation.

b. OPERATORS AND CHAUFFEURS MUST BE LICENSED. (a) No person, except those hereinafter expressly exempted, shall drive any motor vehicle upon a highway in this state unless such person has a valid license as an operator or chauffeur under the provisions of this act. No person shall drive a motor vehicle as a chauffeur unless he holds a valid chauffeur's license. No person shall receive a chauffeur's license unless and until he surrenders to the Director any operator's license issued to him or an affidavit that he does not possess an operator's license.

(b) Any person holding a valid chauffeur's license hereunder need not procure an operator's license.

(c) Whenever a city or town requires an operator or chauffeur to obtain a local driving license or permit, such a license or permit shall not be issued unless the applicant therefor presents a state driver's license valid under the provisions of this act.

c. WHAT PERSONS ARE EXEMPT FROM LICENSE. The following persons are exempt from license hereunder:

1. Any person while operating a motor vehicle in the service of the Army, Navy, or Marine Corps of the United States;

2. Any person while driving or operating any road machine, farm tractor, or implement of husbandry temporarily operated or moved on a highway.

3. A nonresident who is at least fifteen (15) years of age and who has in his immediate possession a valid operator's license issued to him in his home state or country may operate a motor vehicle in this state only as an operator;

4. A nonresident who is at least eighteen (18) years of age and who has in his immediate possession a valid chauffeur's license issued to him in his home state or country may operate a motor vehicle in this state either as an operator or chauffeur subject to the age limits applicable to chauffeurs in this state except that any such person must be licensed as a chauffeur hereunder before accepting employment as a chauffeur from a resident of this state.

5. Any nonresident who is at least eighteen (18) years of age, whose home state or country does not require the licensing of operators, may operate a motor vehicle as an operator only, for a period of not more than ninety (90) days in any calendar year, if the motor

vehicle so operated is duly registered in the home state or country of such nonresident.

6. A driver's license issued hereunder to any person who enters the United States armed forces, if valid and in force and effect at the time such person enters the service, shall continue in full force and effect so long as such service shall continue unless such license is sooner suspended, revoked or cancelled for a cause as provided by law, and for not to exceed thirty (30) days following the date on which holder of such driver's license is honorably separated from such service. During said thirty (30) day period, such license shall be valid only when in the immediate possession of the licensee while driving and the licensee has his discharge, separation, leave or furlough papers in his immediate possession.

d. WHAT PERSONS SHALL NOT BE LICENSED. The Director shall not issue any license hereunder:

1. To any person, as an operator, who is under the age of fifteen (15) years, except that the Director may issue a restricted license as hereinafter provided to any person who is at least thirteen (13) years of age;

2. To any person, as a chauffeur, employed by another for the principal purpose of driving a motor vehicle when in use exclusively for the transportation of property for compensation, who is under the age of eighteen (18) years, nor to any person, as a chauffeur, who is employed by another for the principal purpose of driving a motor vehicle transporting passengers for hire or transporting school children, who is under the age of twenty-one (21) years;

3. To any person, as an operator or chauffeur, whose

license has been suspended during such suspension, nor to any person whose license has been revoked, except as provided in section "y".

4. To any person, as an operator or chauffeur, who is an habitual drunkard, or is addicted to the use of narcotic drugs;

5. To any person, as an operator or chauffeur, who has previously been adjudged to be afflicted with or suffering from any mental disability or disease and who has not at the time of application been restored to competency by the methods provided by law;

6. To any person, as an operator or chauffeur, who is required by this act to take an examination, unless such person shall have successfully passed such examination;

7. To any person who is required under the provisions of the motor vehicle financial responsibility laws of this state to deposit proof of financial responsibility and who has not deposited such proof;

8. To any person as an operator or chauffeur, who is suffering from any form of epileptic type seizures or similar disorders characterized by lapse of consciousness or control, either temporary or prolonged, which is or may become chronic: provided that the Director may in his discretion issue a license to a person suffering from epileptic type seizures or similar disorder characterized by lapse of consciousness or control, if otherwise qualified to be licensed to drive a motor vehicle, when the afflicted person can show that he has not experienced an epileptic type seizure or similar disorder characterized by lapse of consciousness or control for a period of two (2) years and when recommended by the state health officer as being controlled medically or

otherwise to the degree that the affliction will not interfere with the safe operation of a motor vehicle.

e. CLASSIFICATION OF CHAUFFEURS, SPECIAL RESTRICTIONS. (a) The Director upon issuing a chauffeur's license shall indicate thereon the class of license so issued and shall appropriately examine each applicant according to the class of license applied for and may impose such rules and regulations for the exercise thereof as it may deem necessary for the safety and welfare of the traveling public.

(b) No person who is under the age of twenty-one (21) years shall drive any school bus transporting school children or any motor vehicle when in use for the transportation of persons for compensation nor in either event until he has been licensed as a chauffeur for either such purpose and the license so indicates. The Director shall not issue a chauffeur's license for either such purpose unless the applicant has had at least one (1) year of driving experience prior thereto and has filed with the Director one (1) or more certificates signed by a total of at least three (3) responsible people to whom he is well known certifying as to his good character and habits and the Director is fully satisfied as to the applicant's competency and fitness to be employed.

f. INSTRUCTION PERMITS AND TEMPORARY LICENSES. (a) Any person who is at least fourteen (14) years of age may apply to the Director for an instruction permit. The Director may in his discretion, after the applicant has successfully passed all parts of the examination other than the driving test, issue to the applicant an instruction permit which shall entitle the applicant while having such permit in his immediate possession to drive a motor vehicle upon the public

highways for a period of sixty (60) days when accompanied by a licensed operator or chauffeur who is occupying a seat beside the driver, except in the event the permittee is operating a motorcycle. Any such instruction permit may be renewed or a new permit issued for an additional period of ninety (90) days.

(b) The Director upon receiving proper application may in his discretion issue a restricted instruction permit effective for a school year or more restricted period to an applicant who is enrolled in a driver-training program approved by the Director even though the applicant has not reached the legal age to be eligible for an operator's license. Such instruction permit shall entitle the permittee when he has such a permit in his immediate possession to operate a motor vehicle only on a designated highway or within a designated area but only when an approved instructor is occupying a seat beside the permittee.

(c) The Director may in his discretion issue a temporary driver's permit to an applicant for an operator's license permitting him to operate a motor vehicle while the Director is completing his investigation and determination of all facts relative to such applicant's right to receive an operator's license. Such permit must be in his immediate possession while operating a motor vehicle, and it shall be invalid when the applicant's license has been issued or for good cause has been refused.

g. APPLICATION FOR LICENSE OR INSTRUCTION PERMIT. (a) Every application for an instruction permit or for an operator's or chauffeur's license shall be made upon a form furnished by the Director. Every application shall be accompanied by the proper fee and payment of such fee shall entitle the applicant to not more than three attempts to pass

the examination within a period of 6 months from the date of the application.

(b) Every such application shall state the full name, date of birth, sex, and residence address of the applicant, and briefly describe the applicant, and shall state whether the applicant has theretofore been licensed as an operator or chauffeur, and, if so, when and by what state or country, and whether any such license has ever been suspended or revoked, or whether an application has ever been refused, and, if so, the date of and reason for such suspension, revocation, or refusal.

h. APPLICATION OF MINORS. (a) The application of any person under the age of eighteen (18) years for an instruction permit or operator's license shall be signed and verified before a person authorized to administer oaths by both the father and mother of the applicant, if both are living and have custody of him, or in the event neither parent is living then by the person or guardian having such custody or by an employer of such minor, or in the event there is no guardian or employer then by other responsible person who is willing to assume the obligation imposed under this act upon a person signing the application of a minor.

(b) Any negligence or wilful misconduct of a minor under the age of eighteen (18) years when driving a motor vehicle upon a highway shall be imputed to a person who has signed the application of such minor for a permit or license, which person shall be jointly and severally liable with such minor for any damages caused by such negligence or wilful misconduct (except as otherwise provided in sub-paragraph (c) of this section).

(c) In the event a minor deposits or there is de-

posited upon his behalf proof of financial responsibility in respect to the operation of a motor vehicle owned by him, or if not the owner of a motor vehicle, then with respect to the operation of any motor vehicle, in form and in amounts as required under the motor-vehicle financial responsibility laws of this state, then the Director may accept the application of such minor when signed by one parent or the guardian of such minor, and while such proof is maintained such parent or guardian shall not be subject to the liability imposed under sub-paragraph (b) of this section.

i. RELEASE FROM LIABILITY. Any person who has signed the application of a minor for a license may thereafter file with the Director a verified written request that the license of said minor so granted be cancelled. Thereupon the Director shall cancel the license of said minor and the person who signed the application of such minor shall be relieved from the liability imposed under this act by reason of having signed such application on account of any subsequent negligence or wilful misconduct of such minor in operating a motor vehicle.

j. CANCELLATION OF LICENSE UPON DEATH OF PERSON SIGNING MINOR'S APPLICATION. The Director upon receipt of satisfactory evidence of the death of the persons who signed the application of a minor for a license shall cancel such license and shall not issue a new license until such time as a new application, duly signed and verified, is made as required by this act. This provision shall not apply in the event the minor has attained the age of eighteen (18) years.

k. EXAMINATION OF APPLICANTS. (a) The Director shall examine every applicant for an operator's or chauffeur's license, except as otherwise provided in this section. Such examination shall include a test of the applicant's

eyesight, his ability to read and understand highway signs regulating, warning, and directing traffic, his knowledge of the traffic laws of this state, and shall include an actual demonstration of ability to exercise ordinary and reasonable control in the operation of a motor vehicle. The Director shall make provision for giving an examination either in the county where the applicant resides or at a place adjacent thereto reasonably convenient to the applicant within not more than thirty (30) days from the time the application is received.

(b) The Director shall issue without examination an operator's license to any person applying therefor within six (6) months after this section takes effect who furnishes evidence satisfactory to the Director that he is not disqualified under the provisions of this act and that he has previously operated a motor vehicle in a satisfactory manner for a period of not less than one (1) year.

1. LICENSES ISSUED TO OPERATORS AND CHAUFFEURS. (a) The Director shall have authority to appoint county treasurers and other qualified officers to act as its agent or agents for the sale of driver's licenses, and shall make necessary rules and regulations governing such sales. The Director shall, upon payment of three dollars ($3.00), issue to every applicant qualifying therefor, an operator's or chauffeur's license as applied for, which license shall be purchased biennially on or before the operator's or chauffeur's birthday, and shall expire on the anniversary of the date of birth of the operator or chauffeur, two (2) years or less after the date of issue, and shall bear thereon, a distinguishing number issued to the licensee, the full name, date of birth, residence address, and a brief

description of the licensee and either a facsimile of the signature of the licensee or a space upon which he shall write his signature in pen and ink, immediately upon receipt of the license. No license shall be valid until it has been so signed by the licensee.

(b) Every operator's or chauffeur's license issued hereunder shall be valid for a term of two (2) years, except as otherwise provided, and shall be renewed for a like period on or before the second anniversary of the licensee's date of birth next succeeding date of issue for a further period of two (2) years from such anniversary, upon receipt of the application and fee as in the case of original application as provided herein. Not withstanding the foregoing provisions the Director shall change the expiration dates to a system of staggered expiration dates based on the anniversary date of birth of the applicant and shall collect additional fees as hereinafter provided.

(c) Whenever the Director issues an original license to a person under the age of twenty-one (21) years, such license shall be designated and clearly marked as a "provisional license." Any license so designated and marked may be suspended by the Director for a period of not more than twelve (12) months, when its record discloses that the licensee, subsequent to the issuance of such license, has been guilty of careless or negligent driving. Upon renewal as applicable to operator's licenses, the Director may for any reasonable cause, as shown by his records, designate the renewal of the license as provisional, otherwise, a license in usual form shall be issued subject to other provisions of the laws of Montana.

(d) It shall be unlawful for any person to have in his possession or under his control, more than one (1)

Montana operator's or chauffeur's license at any one time.

m. LICENSE TO BE CARRIED AND EXHIBITED ON DEMAND. Every licensee shall have his operator's or chauffeur's license in his immediate possession at all times when operating a motor vehicle and shall display the same upon demand of a justice of the peace, a peace officer, a highway patrolman, or a field deputy or inspector of the Department. However, no person charged with violating this section shall be convicted if he produces in court or the office of the arresting officer an operator's or chauffeur's license theretofore issued to him and valid at the time of his arrest.

n. RESTRICTED LICENSES. (a) The Director upon issuing an operator's or chauffeur's license shall have authority whenever good cause appears to impose restrictions suitable to the licensee's driving ability with respect to the type of or special mechanical control devices required on a motor vehicle which the licensee may operate or such other restrictions applicable to the licensee as the Director may determine to be appropriate to assure the safe operation of a motor vehicle by the licensee.

(b) The Director may either issue a special restricted license or may set forth such restrictions upon the usual license form.

(c) The Director may upon receiving satisfactory evidence of any violation of the restrictions of such license suspend or revoke the same but the licensee shall be entitled to a hearing as upon suspension or revocation under this act.

(d) It is a misdemeanor for any person to operate a

motor vehicle in any manner in violation of the restrictions imposed in a restricted license issued to him.

o. DUPLICATE CERTIFICATES. In the event that an instruction permit or operator's or chauffeur's license issued under the provisions of this act is lost or destroyed, the person to whom the same was issued may, upon the payment of a fee of fifty cents (50¢), obtain a duplicate, or substitute thereof, upon furnishing proof satisfactory to the Director that such permit or license has been lost or destroyed.

p. NOTICE OF CHANGE OF ADDRESS OR NAME. Whenever any person after applying for or receiving an operator's or chauffeur's license shall move from the address named in such application or in the license issued to him or when the name of a licensee is changed by marriage or otherwise such person shall within ten (10) days thereafter notify the Director in writing of his old and new addresses or of such former and new names and of the number of any license then held by him.

q. RECORDS TO BE KEPT BY THE DIRECTOR. (a) The Director shall file every application for a license received by him and shall maintain suitable indexes containing, in alphabetical order:

1. All applications denied and on each thereof note the reasons for such denial;

2. All applications granted; and

3. The name of every licensee whose license has been suspended or revoked by the Director and after each such name note the reasons for such action.

(b) The Director shall also file all accident reports and abstracts of court records of convictions received by him under the laws of this state and in

connection therewith maintain convenient records or make suitable notations in order that an individual record of each licensee showing the convictions of such licensee and the traffic accidents in which he has been involved shall be readily ascertainable and available for the consideration of the Director upon any application for renewal of license and at other suitable times.

r. AUTHORITY OF DIRECTOR TO CANCEL LICENSES. (a) The Director is hereby authorized to cancel any operator's or chauffeur's license upon determining that the licensee was not entitled to the issuance thereof hereunder or that said licensee failed to give the required or correct information in his application or committed any fraud in making such application.

(b) Upon such cancellation, the licensee must surrender the license so cancelled to the Director.

s. SUSPENDING PRIVILEGES OF NONRESIDENTS AND REPORTING CONVICTIONS. (a) The privilege of driving a motor vehicle on the highways of this state given to a nonresident hereunder shall be subject to suspension or revocation by the Director in like manner and for like causes as an operator's or chauffeur's license issued hereunder may be suspended or revoked.

(b) The Director is further authorized, upon receiving a record of the conviction in this state of a nonresident driver of a motor vehicle of any offense under the motor-vehicle laws of this state, to forward a certified copy of such record to the motor vehicle administrator in the state wherein the person so convicted is a resident.

t. SUSPENDING RESIDENT'S LICENSE UPON CONVICTION IN ANOTHER STATE. The Director is authorized to suspend or revoke the license of any resident of this state or the

privilege of a nonresident to drive a motor vehicle in this state upon receiving notice of the conviction of such person in another state of an offense therein which, if committed in this state, would be grounds for the suspension or revocation of the license of an operator or chauffeur.

u. WHEN COURT TO FORWARD LICENSE TO DIRECTOR AND REPORT CONVICTIONS. (a) Whenever any person is convicted of any offense for which this act makes mandatory the revocation of the operator's or chauffeur's license of such person by the Director, the court in which such conviction is had shall require the surrender to it of all operator's and chauffeur's licenses then held by the person so convicted and the court shall thereupon forward said licenses to the Director and at the same time forward a record of such conviction to the Director and to the registrar of motor vehicles.

(b) Every court having jurisdiction over offenses committed under this act, or any other act of this state or municipal ordinance regulating the operation of motor vehicles on highways, shall forward to the Director a record of the conviction of any person in said court for a violation of any said laws other than regulations governing standing or parking, and may recommend the suspension of the operator's or chauffeur's license of the person so convicted.

(c) For the purposes of this act the term "conviction" shall mean a final conviction. Also, for the purposes of this act a forfeiture of bail or collateral deposited to secure a defendant's appearance in court, which forfeiture has not been vacated, shall be reported to the Director by the court having jurisdiction.

v. MANDATORY REVOCATION OF LICENSE BY DIRECTOR. The

Director shall forthwith revoke the license of any operator or chauffeur upon receiving a record of such operator's or chauffeur's conviction of any of the following offenses, when such conviction has become final:

1. Manslaughter resulting from the operation of a motor vehicle;

2. Driving a motor vehicle while under the influence of intoxicating liquor or a narcotic drug;

3. Any felony in the commission of which a motor vehicle is used;

4. Failure to stop and render aid as required under the laws of this state in the event of a motor-vehicle accident resulting in the death or personal injury of another;

5. Perjury or the making of a false affidavit or statement under oath to the board under this act or under any other law relating to the ownership or operation of motor vehicles;

6. Conviction, or forfeiture of bail not vacated, upon three (3) charges of reckless driving committed within a period of twelve (12) months.

w. AUTHORITY OF DIRECTOR TO SUSPEND OR REVOKE LICENSE.

(a) The Director is hereby authorized to suspend the license of an operator or chauffeur without preliminary hearing upon a showing by its records or other sufficient evidence that the licensee:

1. Has committed an offense for which mandatory revocation of license is required upon conviction;

2. Has been involved as a driver in any accident resulting in the death or personal injury of another or serious property damage;

3. Has been convicted with such frequency of

serious offenses against traffic regulations governing the movement of vehicles as to indicate a disrespect for traffic laws and a disregard for the safety of other persons on the highways;

4. Is an habitually reckless or negligent driver of a motor vehicle;

5. Is incompetent to drive a motor vehicle;

6. Has permitted an unlawful or fraudulent use of such license; or

7. Has committed an offense in another state which if committed in this state would be grounds for suspension or revocation.

(b) Upon suspending the license of any person as hereinbefore in this section authorized, the Director shall immediately notify the licensee in writing and upon his request shall afford him an opportunity for a hearing as early as practical within not to exceed twenty (20) days after receipt of such request in the county wherein the licensee resides unless the Director and the licensee agree that such hearing may be held in some other county. Upon such hearing the Director or his duly authorized agent may administer oaths and may issue subpoenas for the attendance of witnesses and the production of relevant books and papers and may require a re-examination of the licensee. Upon such hearing the Director shall either rescind his order of suspension, or, good cause appearing therefor, may extend the suspension of such license or revoke such license and upon revocation the Director shall forthwith notify the registrar of motor vehicles.

x. DIRECTOR MAY REQUIRE RE-EXAMINATION. The Director having good cause to believe that a licensed

operator or chauffeur is incompetent or otherwise not qualified to be licensed, may upon written notice of at least five (5) days to the licensee require him to submit to an examination. Upon the conclusion of such examination the Director shall take action as may be appropriate and may suspend or revoke the license of such person or permit him to retain such license, or may issue a license subject to restrictions as permitted under subdivision "n" hereof. Refusal or neglect of the licensee to submit to such examination shall be ground for suspension or revocation of his license.

y. PERIOD OF SUSPENSION OR REVOCATION. (a) The Director shall not suspend a driver's license or privilege to drive a motor vehicle on the public highways for a period of more than one (1) year, except as permitted under subdivision "ee" hereof.

(b) Any person whose license or privilege to drive a motor vehicle on the public highways has been revoked shall not be entitled to have such license or privilege renewed or restored unless the revocation was for a cause which has been removed, except that after the expiration of one (1) year from the date on which the revoked license was surrendered to and received by the Director such person may make application for a new license as provided by law, but the Director shall not then issue a new license unless and until it is satisfied after investigation of character, habits, and driving ability of such person that it will be safe to grant the privilege of driving a motor vehicle on the public highways.

z. SURRENDER AND RETURN OF LICENSE. The Director upon suspending or revoking a license shall require that such license shall be surrendered to and be retained by the

Director except that at the end of the period of suspension such license so surrendered shall be returned to the licensee.

aa. NO OPERATION UNDER FOREIGN LICENSE DURING SUSPENSION OR REVOCATION IN THIS STATE. Any resident or nonresident whose operator's or chauffeur's license or right of privilege to operate a motor vehicle in this state has been suspended or revoked as provided in this act shall not operate a motor vehicle in this state under a license, permit, or registration certificate issued by any other jurisdiction or otherwise during such suspension or after such revocation until a new license is obtained when and as permitted under this act.

bb. RIGHT OF APPEAL TO COURT. Any person denied a license or whose license has been cancelled, suspended, or revoked, except where such cancellation or revocation is mandatory under the provisions of this act, shall have the right to file a petition within thirty (30) days thereafter for a hearing in the matter in the district court in the county wherein such person shall reside and such court is hereby vested with jurisdiction and it shall be its duty to set the matter for hearing upon thirty (30) days' written notice to the Director and thereupon to take testimony and examine into the facts of the case and to determine whether the petitioner is entitled to a license or is subject to suspension, cancellation, or revocation of license under the provisions of this act.

cc. UNLAWFUL USE OF LICENSE. It is a misdemeanor for any person:

1. To display or cause or permit to be displayed or have in his possession any cancelled, revoked, suspended,

fictitious, or fraudulently altered operator's or chauffeur's license;

2. To lend his operator's or chauffeur's license to any other person or knowingly permit the use thereof by another;

3. To display or represent as one's own any operator's or chauffeur's license not issued to him;

4. To fail or refuse to surrender to the Director upon his lawful demand any operator's or chauffeur's license which has been suspended, revoked or cancelled;

5. To use a false or fictitious name in any application for an operator's or chauffeur's license or to knowingly make a false statement or to knowingly conceal a material fact or otherwise commit a fraud in any such application;

6. To permit any unlawful use of an operator's or chauffeur's license issued to him; or

7. To do any act forbidden or fail to perform any act required by this act.

dd. MAKING FALSE AFFIDAVIT PERJURY. Any person who makes any false affidavit, or knowingly swears or affirms falsely to any matter or thing required by the terms of this act to be sworn to or affirmed, is guilty of perjury and upon conviction shall be punishable by fine or imprisonment as other persons committing perjury are punishable.

ee. DRIVING WHILE LICENSE SUSPENDED OR REVOKED.

(a) Any person who drives a motor vehicle on any public highway of this state at a time when his privilege so to do is suspended or revoked shall be guilty of a misdemeanor and upon conviction shall be punished by imprisonment for not less than two (2) days nor more than six (6) months and there may be imposed in addition

thereto a fine of not more than five hundred dollars ($500.00).

(b) The Director upon receiving a record of the conviction of any person under this section upon a charge of driving a vehicle while the license of such person was suspended shall extend the period of such suspension for an additional like period and if the conviction was upon a charge of driving while a license was revoked the Director shall not issue a new license for an additional period of one (1) year from and after the date such person would otherwise have been entitled to apply for a new license.

ff. PERMITTING UNAUTHORIZED MINOR TO DRIVE. No person shall cause or knowingly permit his child or ward under the age of eighteen (18) years to drive a motor vehicle upon any highway when such minor is not authorized hereunder or in violation of any of the provisions of this act.

gg. EMPLOYING UNLICENSED CHAUFFEUR. No person shall employ as a chauffeur of a motor vehicle any person not then licensed as provided by this act.

hh. RENTING MOTOR VEHICLE TO ANOTHER. (a) No person shall rent a motor vehicle to any other person unless the latter person is then duly licensed hereunder or, in the case of a nonresident, then duly licensed under the laws of the state or country of his residence except a nonresident whose home state or country does not require that an operator be licensed.

(b) No person shall rent a motor vehicle to another until he has inspected the operator's or chauffeur's license of the person to whom the vehicle is to be rented and compared and verified the signature thereon with the signature of such person written in his presence.

(c) Every person renting a motor vehicle to another shall keep a record of the registration number of the motor vehicle so rented, the name and address of the person to whom the vehicle is rented, the number of the license of said latter person and the date and place when and where said license was issued. Such record shall be open to inspection by any police officer or officer or employee of the Department.

ii. PENALTY FOR MISDEMEANOR. (a) It is a misdemeanor for any person to violate any of the provisions of this act unless such violation is by this act or other law of this state declared to be a felony.

(b) Unless another penalty is in this act or by the laws of this state provided, every person convicted of a misdemeanor for the violation of any provision of this act shall be punished by a fine of not more than five hundred dollars ($500.00) or by imprisonment for not more than six (6) months, or by both such fine and imprisonment.

jj. UNIFORMITY OF INTERPRETATION. This act shall be so interpreted and construed as to effectuate its general purpose to make uniform the law of those states which enact it.

kk. The Director shall have authority to delegate to the Chief Examiner, or to other employees of the Department or the section, such of the duties and administrative acts as are prescribed for the Director hereunder.

Section 12. HIGHWAY PATROLMEN'S RETIREMENT SYSTEM, BOARD, ELECTIONS, ADMINISTRATION, AUTHORITY. There is hereby established a Montana highway patrolmen's retirement board consisting of five (5) members, as hereinafter provided. There has been established by prior legislation a Montana highway patrolmen's retirement board,

which said board shall continue its responsibilities and duties hereunder as the board herein established, except that the Director of this Department shall replace the Chairman of the Montana Highway Patrol Board as Chairman and as a member thereon. Those members elected by the Montana Highway Patrolmen's Association shall serve out their terms as previously provided by law, and they shall each be succeeded by such members of the Montana Highway Patrolmen's Association as shall be elected for a term of three (3) years. Any such person now holding such position, and any person appointed by the Director to fill a vacancy, shall be eligible for such election. At the expiration of each succeeding three year term thereafter, a successor shall be so elected. The expenses of the administration of this section of this law, exclusive of the payment of retirement allowances and other benefits, shall be paid by the state of Montana, by appropriation out of the general fund, made on the basis of budgets submitted by the board. The duties and functions of said board as herein adopted are as follows:

a. DEFINITIONS. The following words and phrases as used in this section, unless a different meaning is plainly implied by the context, shall have the following meanings:

"Accumulated deductions," the total of the amounts deducted from the salary of a contributor and paid into the fund, and standing to his credit in the fund, together with the regular interest thereon.

"Beneficiary," shall be such person or persons having an insurable interest in his life as he shall nominate by written designation, duly acknowledged and filed with the board.

"Retired patrolman," any person in receipt of a retirement allowance under this act.

"Board," the Montana highway patrolmen's retirement board.

"Compulsory retirement age," sixty years of age.

"Contributor," any person who has accumulated deductions in the fund, standing to his credit.

"Final salary," the average annual compensation received by a contributor before any deductions have been made, and exclusive of maintenance, allowances and expenses, for any three (3) years of continuous service upon which contributions have been made, or, in the event a member has not served three (3) years, the total retirement compensation earned, divided by the number of years served.

"Actuarial equivalent," the accumulated contributions and the present value of the member's state service based on length of service and member's attained age used to provide a life or temporary life income to the legally designated person, based on such person's attained age and sex at the time the option becomes available.

"Fund," the Montana highway patrolmen's retirement fund.

"Involuntary retirement," a retirement not for cause and before retirement age.

"Member's annuity," payments for life derived from contributions made by the contributor.

"Optional retirement age," the age at which a contributor may retire after twenty (20) years' service or more.

"Retirement age," the age at which a member retires after twenty-five (25) years of creditable service with

the Montana highway patrol.

"Retirement allowance," the state annuity plus the member's annuity.

"State annuity," payments for life derived from contributions made by the state of Montana.

b. PAYMENTS INTO THE MONTANA HIGHWAY PATROLMEN'S RETIREMENT FUND, INVESTMENT. All appropriations made by the state of Montana, all contributions by members of the Montana highway patrol, in the amount hereinafter specified, and all interest on and increase of the investments and moneys under this account shall be paid to the state treasurer, who shall credit said payments to the Montana highway patrolmen's retirement fund. Whenever there is on deposit in the Montana highway patrolmen's retirement fund a sum in excess of twenty-five thousand dollars ($25,000.00), such excess will be invested by the state board of land commissioners as part of the long term investment fund and any of the fund less than twenty-five thousand dollars ($25,000.00) in amount shall be invested by the state board of land commissioners as part of the short term investment fund when so directed by the Montana highway patrolmen's retirement board.

c. RULES AND REGULATIONS, ACTUARIAL DATA. The board may establish such rules and regulations as it deems necessary, and is charged within the limitations of this act for its proper administration, operation, and enforcement, and shall be the authority under this act as to the conditions under which persons may be admitted to and continue to receive benefits under the retirement system. It shall keep such data as shall be necessary for actuarial valuation purposes. It shall cause to be made periodic actuarial investigations into the mortality and service

experience of the contributors to and the beneficiaries of the fund, and shall adopt for the retirement system one or more mortality tables.

d. MEMBERSHIP. Every member of the Montana highway patrol, including the supervisor and assistant supervisors, shall be required to become a member of the retirement system. Contributions by members under this act shall continue hereunder so as to achieve continuity with the prior law. If any person who becomes a member of the Montana highway patrol subsequent to July 1, 1945, shall have been at any time theretofore a member of the Montana highway patrol, he shall receive credit for any such service prior to July 1, 1945, upon complying with the provisions of this act.

e. SERVICE ALLOWANCE. In computing the length of service of a contributor for retirement purposes, full credit shall be given to each contributor for each year of service rendered to the patrol including service rendered prior to July 1, 1945, upon complying with the provisions of this act. As soon as practicable, the retirement board shall issue to each member a certificate certifying the aggregate length of his service prior to July 1, 1945. Such certificate shall be final and conclusive as to his prior service unless thereafter modified by the board upon application of the contributor. The time during which a contributor is absent from service without pay shall not be counted in computing the service of a contributor except service with the armed forces of the United States in time of war.

f. PAYMENTS BY CONTRIBUTORS. Every member shall be required to contribute into the fund a sum equal to five per cent (5%) of his monthly salary, which sum shall be de-

ducted from his salary and credited to his account in the fund, provided that when a member has served twenty-five (25) years in the Montana highway patrol all payments by him and contributions to his credit from the fund shall cease.

g. CONTRIBUTIONS BY THE STATE OF MONTANA. The state of Montana shall annually contribute to the fund a sum equal to fifteen percent (15%) of all moneys received by the state of Montana from the collection of the motor vehicle driver's license fee provided for under the laws of the state of Montana.

h. RETIREMENT. Any member in service who has completed at least twenty-five (25) years of creditable service may retire on a service retirement allowance upon written application to the board setting forth at what time, not less than thirty (30) days nor more than ninety (90) days subsequent to the filing thereof, he desires to be retired.

i. VOLUNTARY RETIREMENT. If a contributor has served twenty (20) years of creditable service with the Montana highway patrol, he is hereby granted the option and privilege of retiring and in such case, his retirement allowance shall be proportionately reduced.

j. RETIREMENT ALLOWANCE. Upon retirement from service a member shall receive a service retirement allowance which shall consist of the state annuity plus the member's annuity. The member's annuity shall be the actuarial equivalent of his aggregate contributions at the time of retirement and the state annuity shall be in an amount which, when added to the member's annuity, will provide a total retirement allowance of one-half (½) of his average final salary.

k. DISABILITY RETIREMENT ALLOWANCE. In case of the total disability of a contributor, permanent in character, regardless of the length of service of the contributor, a disability retirement allowance shall be granted the contributor in an amount calculated on the actuarial equivalent of the member's annuity and the state annuity standing to his credit at the time of his disability retirement; provided that if such total disability is a direct result of any service to the Montana highway patrol in line of duty, then such patrolman who is totally and permanently disabled shall be retired on total retirement allowance of one-half his average final salary regardless of his length of service.

l. INVOLUNTARY RETIREMENT ALLOWANCE. Should a contributor be discontinued from service, not voluntarily, after having completed ten (10) years of total service, but before reaching retirement age, he shall, upon filing of application in the manner herein provided for retirement, be paid as he may elect as follows: (a) the full amount of accumulated deductions standing to his credit; or (b) a member's annuity of equivalent actuarial value to his accumulated deductions standing to his credit, plus the actuarial equivalent of a state annuity having a value equal to the present value of a state annuity then standing to his credit.

m. COMPULSORY RETIREMENT ALLOWANCE. Any member, regardless of his years of service, who has attained the age of sixty (60) years, shall forthwith be retired. If he shall have served twenty-five (25) years or more, he shall receive the full retirement allowance as provided herein. If he shall have served less than twenty-five (25) years, he shall be entitled to the same options as pro-

vided in subsection "1" hereof.

n. REFUNDS IN CASE OF RESIGNATION OR DISCHARGE. Where a contributor resigns of his own volition, or is discharged for cause before becoming entitled to a retirement allowance, then the deductions standing to his credit shall be paid to him.

o. PAYMENTS UPON DEATH. If the board shall find that a contributor dies as a direct and proximate result of injury received in the course of his employment, a retirement allowance shall be paid to his beneficiary.

Such retirement allowance shall consist of: (a) a member's annuity which shall be the actuarial equivalent of the contributor's accumulated deductions standing to his credit; and (b) the actuarial equivalent of a state annuity which when added to the member's annuity will provide a total annuity equal to fifty per cent (50%) of the final salary of the contributor, less the amount which is paid to any such beneficiary under the workmen's compensation act of the state of Montana, during the period such compensation is paid or payable.

p. PAYMENTS IN CASE OF DEATH FROM NATURAL CAUSES. (a) If the retired patrolman dies before receiving in payments the present value of his member's annuity and the state annuity as it was at the time of his retirement, the balance shall be paid to his beneficiary. (b) If a member dies before reaching retirement age, his beneficiary shall be entitled to the actuarial equivalent of the options as provided in subsection "1" hereof.

q. MONTHLY PAYMENTS OF RETIREMENT ALLOWANCES. The retirement allowances granted under the provisions of this act shall be paid in equal monthly installments and shall not be increased, decreased, revoked or repealed

unless by act of the legislative assembly of the state of Montana.

r. EXEMPTION FROM TAXES AND EXECUTION. Any money received or to be paid as a member's annuity, State-annuity or return of deduction or the right of any of these, shall be exempt from any state or municipal tax and from levy, sale, garnishment, attachment or any other process whatsoever and shall be unassignable.

s. NOMINATION OF BENEFICIARY. Every contributor shall have the authority to name his beneficiary by written designation duly acknowledged and filed with the board, and to change the beneficiary in like manner. Such designation and all changes must be filed with the board up until, but not after, the time of retirement.

t. SERVICE IN THE ARMED FORCES OF THE UNITED STATES. Any member of the Montana highway patrol now in or hereafter inducted into the armed forces of the United States, shall have the option: (a) to continue his payments into the fund; or (b) allow the board to make his payments for him during such military service, in which event he shall repay the fund the full amount of such payments upon his return to the Montana highway patrol, and such repayments must be made within two (2) years after his return to the patrol provided that a member's service in the armed forces of the United States shall be credited to and made a part of the member's service allowance.

u. FRAUD, CORRECTION OF ERRORS. (a) No person shall knowingly make any false statement, or shall falsify or permit to be falsified any record or records of the retirement system herein established in any attempt to defraud such system. (b) Should any such change in records fraudulently made or any mistake in records in-

advertently made result in any contributor or beneficiary receiving more or less than he would have been entitled to had the records been correct, then, on the discovery of such error, the board shall correct such error and shall adjust the payments which shall be made to the contributor or annuitant in such manner that the actuarial equivalent of the benefit to which he was correctly entitled shall be paid.

Any person violating any of the provisions of subsection (a) of this section shall be guilty of a misdemeanor, and, upon conviction, shall be sentenced to pay a fine not exceeding one thousand ($1,000.00) dollars or suffer imprisonment not exceeding one (1) year, or both, in the discretion of the court.

v. RESTRICTIONS UPON PAYMENTS. If any beneficiary is convicted of a felony, the board shall have the authority to revoke or suspend, for as long a time as it sees fit disbursement of the state annuity. Where the illness or injuries causing a contributor to be retired, or where the death of a contributor is directly and proximately caused by such contributor's immoral or intemperate conduct or gross negligence, the board shall have the authority to refuse, revoke, or suspend for as long a time as it sees fit disbursement of the state annuity.

w. SUBROGATION. Where a third person is liable to the member or his dependents for injury or death, the state shall be subrogated to the right of the member or the dependents against such third person; but only to the extent of the state annuity payable under this act by the state. Any recovery against such third person, in excess of the state annuity theretofore paid or thereafter to be paid by the state shall be paid forthwith to

the contributor or the person designated by the contributor.

x. PAYMENTS UNDER OTHER LAWS. All payments provided for in this act are in addition to any other benefits now or hereafter provided for under the workmen's compensation act of the state of Montana.

y. OPTIONAL RETIREMENT ALLOWANCE. Until the first payment on account of any retirement allowance is made and subject to the conditions that, if he die after retirement and within thirty (30) days from the date upon which his election or changed election is received at the office of the retirement board, then said election is void and of no effect, and the death shall be considered as that of a member before retirement. A member or a beneficiary may elect, or revoke or change a previous election prior to the approval of the previous election to receive the actuarial equivalent of his retirement allowance as of the date of retirement, in a lesser retirement allowance, payable throughout life with one of the following options:

Option 1. Upon his death, his lesser retirement allowance shall be continued throughout the life of and paid to such person, having an insurable interest in his life, as he nominates by written designation duly executed and filed with the board at the time of his retirement.

Option 2. Upon his death, one-half of his lesser retirement allowance shall be continued throughout the life of and paid to such person, having an insurable interest in his life, as he nominates by written designation duly executed and filed with the board at the time of his retirement.

Option 3. Such other benefits or benefits shall be paid, either to the beneficiary or to such other person or

persons as he nominates, as, together with such lesser retirement allowance, are the actuarial equivalent of his retirement allowance, and shall be approved by the board.

z. SEPARABILITY OF PROVISIONS. The provisions of this section are severable, and, if any of its provisions shall be held to be unconstitutional, the decision of the court shall not affect or impair any of the remaining provisions. It is hereby declared to (be) the legislative intent that this act would have been adopted had such unconstitutional provisions not been included herein.

aa. DORMANT SAVINGS ACCOUNTS, TRANFER, SUBSEQUENT RE-ENTRY TO MEMBERSHIP. The board may in its discretion transfer the savings account of a member to the pension accumulation fund if the account has been dormant for a period of ten (10) years; provided that no right of the member shall be jeopardized by such transfer and the savings account shall be transferred to the member's name upon subsequent re-entry to membership.

Section 13. MONTANA HIGHWAY PATROL BOARD MEANS DIRECTOR, SUPERVISOR, WHEN STATE HIGHWAY COMMISSION MEANS DIRECTOR. Whenever and wherever the Montana highway patrol board is referred to in this or other laws, such reference shall be deemed to mean the Director, and the Director is hereby required to perform the functions prescribed to said board thereunder. Whenever and wherever the supervisor of the Montana highway patrol is referred to in this or other laws, such reference shall be deemed to mean the supervisor described in Section 10a hereof, and that supervisor is hereby required to perform the functions prescribed to such supervisor thereunder, except that in Chapter 4 of Title 53 of the Revised

Codes of Montana, 1947, each reference to "supervisor" shall be deemed to mean the Director, and the Director is hereby required to perform the functions prescribed to the Supervisor thereunder.

Wherever the state highway Commission of Montana is referred to in Chapter 263, Laws of 1955, (Chapter 21 of Title 32 of the Revised Codes of Montana), that reference shall be deemed to mean the Director of Motor Vehicles, and said Director is hereby directed to perform the functions and duties, and exercise the authority prescirbed to said commission therein.

Section 14. DIVISION OF REGISTRATION, REGISTRAR, LICENSES, FEES, PERMITS, RECORDS, BOND CERTIFICATES, DELEGATION, DUTIES, ADMINISTRATION, AUTHORITY, ACCOUNTING. The Director shall establish within the Department a division of motor vehicle registration at the City of Deer Lodge under his general supervision, and under the immediate supervision of a Registrar of motor vehicles appointed by the Director at a salary to be established by the Director. The warden of the state penitentiary shall furnish the Director and this division with office space for so long as the Director requests it. The Director shall require the Registrar to keep records of all motor vehicles, trailers and semi-trailers of every kind, and certificates of registration and ownership thereof, of all dealers in motor vehicles and automobile accessories and of operators and chauffeurs.

The Director shall require the Registrar to maintain such indices, registers and maintain such other information devices and procedures as shall be useful.

The Registrar shall qualify by giving a bond of twenty-five thousand dollars (25,000.00), providing for the faithful performance of his duty. The Director may appoint such additional employees as may be necessary, at appropriate salaries. The Director may make use of the services of the inmates of the state prison to the extent practical.

The Director is hereby authorized and directed to take over all equipment, books, files and records belonging to or in the custody of the motor vehicle department at the state penitentiary. He may destroy such correspondence, motor card and application card records after the expiration of five (5) years from the date thereof, and all conditional sales contracts and chattel mortgages and records pertaining thereto after the expiration of five (5) years after the date the same have ceased to be liens on the motor vehicles described therein, as shall appear to him to be of insufficient value to warrant retaining.

The Director shall, at the end of each month, prepare lists of certificates of registration and ownership issued for the current month, showing the number and kind of license issued, the name and address of owner and legal owner, the make of car and engine number. Such list shall be distributed to the sheriffs and treasurers of each county of the state and to chiefs of police of each incorporated city of the state by the registrar of motor vehicles.

All such records shall be open to inspection during all reasonable business hours and the Director shall furnish any information from said records upon payment by the applicant of the cost of transcribing the information requested.

The Director is hereby authorized to delegate any or all of the duties enumerated in this section to the Registrar, or such other employees as may to him seem advisable.

The following subdivisions of this section shall control the registration of motor vehicles.

(1) PREVIOUS REGISTRATION RECEIPT TO ACCOMPANY APPLICATION FOR REGISTRATION. The treasurer of any county shall not accept any application for registration or re-registration of any motor vehicle unless such application be accompanied by the immediately previous registration receipt issued by the registrar of motor vehicles, or an affidavit upon a form prescribed by the registrar, stating under oath that the vehicle had not been operated on the highways of the state of Montana during the immediately previous year, except in cases of automobiles not previously licensed in Montana. Provided that no application for registration or re-registration of any motor vehicle hereafter need be verified.

(2) "MOTOR VEHICLE" DEFINED. The word "motor vehicle" as used in this section of this law shall be deemed to include trailers, semitrailers, automobiles, auto trucks, motorcycles, cycle motors, and all other vehicles propelled by their own power, used upon the public highways of the state, excepting steam or gas tractors.

(3) BLANKS TO BE PROVIDED. It shall be the duty of the registrar of motor vehicles to provide blank application forms outlining and providing for the information needed in each class of registration required, and to furnish these upon request to applicant for registration.

(4) NUMBER PLATES. (1) Every motor vehicle which shall be driven upon the streets or highways of this state shall display both front and rear a number plate, bearing the

distinctive number assigned such vehicle by the registrar of motor vehicles. Such number plate shall be in eight series: one series for owners of motor cars, one for owners of motor vehicles of the motorcycle type, one for trailers, one for trucks, one for dealers in vehicles of the motorcycle type, one for dealers in new motor cars (including trucks and trailers) or new and used motor cars (including trucks and trailers) which shall bear the distinctive letter "D," one for dealers in used motor cars only (including used trucks and trailers) which shall bear the distinctive letters "UD," and one for dealers in trailers and/or semitrailers (new or used) which shall bear the distinctive letters "DTR." All number plates for motor vehicles shall be renewed annually, shall bear a distinctive marking each year, and shall be furnished by the state.

(2) In the case of motor cars, number plates shall be of metal six inches wide and twelve inches in length, and the word "Montana" with the year shall be placed across the bottom of the plate. The background of the plate shall be of a distinctive color each year, which color shall be designated by the registrar of motor vehicles, provided he shall in his discretion, choose to select permanent number or identification plates with a yearly insert plate or tab bearing the last two numbers of the year for which such license is issued and such insert plate or tab shall be serially numbered in the same manner as the numbered plates, and such permanent number or identification plates shall be made in such form and of such materials and of such color contrasts as the registrar shall determine; provided further, that the registrar may, in his discretion, designate number or

identification plates for any year as the proper means of identifying the vehicle for a subsequent year or years, said plates to be validated by a windshield sticker of such size, color and design and displayed as he shall direct; such a sticker shall bear a distinctive number and the registration period for which it is issued, after which period it shall be unlawful to further display same on the vehicle. The distinctive registration numbers shall begin with number one (1) and be numbered consecutively for each series of plates. The distinctive registration number assigned to the vehicle and the numeral or symbol for the county in which the number plate is issued shall appear on the plate. The dimensions of such numerals and the manner of placing the same on said number plates shall be determined by the registrar of motor vehicles. For the use of dealers the number plates shall be essentially as those for motor cars and motorcycles, except that to the left of the serial number the plate shall contain the letters "D", "UD", or "DTR", such letters to be the same height and size as the figures composing the serial number.

(3) For the use of tax-exempt motor vehicles in addition to the markings herein provided, number plates shall have thereon the following distinctive markings:

For vehicles owned by the state the registrar of motor vehicles may designate the prefix number for the various state departments, and all numbered plates issued to state departments shall bear the words "State Owned" and no year number will be indicated thereon as these numbered plates will be of a permanent nature, and will be renewed by the registrar of motor vehicles at such time when the physical condition of numbered plates requires same. For vehicles owned by the counties, municipalities and school

districts and used and operated by officials and employees thereof in line of duty as such, there shall be placed on the number plates assigned thereto, in such postion thereon as the registrar may designate, the letter "X." Distinctive registration numbers for plates assigned to motor vehicles of each of the counties in the state and those of the municipalities, and school districts situated within each of said counties shall begin with number one (1) and be numbered consecutively.

(4) On all number plates assigned to motor vehicles of the truck and trailer type, other than tax-exempt trucks and trailers, there shall appear the letter "T" for plates assigned to trucks and the letters "TR" for plates assigned to trailers.

Number plates assigned to any motor vehicle shall be used only on the specific motor vehicle to which originally assigned.

(5) For the purpose of this act, the several counties of the state shall be assigned numbers as follows: Silver Bow, 1; Cascade, 2; Yellowstone, 3; Missoula, 4; Lewis and Clark, 5; Gallatin, 6; Flathead, 7; Fergus, 8; Powder River, 9; Carbon, 10; Phillips, 11; Hill, 12; Ravalli, 13; Custer, 14; Lake, 15; Dawson, 16; Roosevelt, 17; Beaverhead, 18; Chouteau, 19; Valley, 20; Toole, 21; Big Horn, 22; Musselshell, 23; Blaine, 24; Madison, 25; Pondera, 26; Richland, 27; Powell, 28; Rosebud, 29; Deer Lodge, 30; Teton, 31; Stillwater, 32; Treasure, 33; Sheridan, 34; Sanders, 35; Judith Basin, 36; Daniels, 37; Glacier, 38; Fallon, 39; Sweet Grass, 40; McCone, 41; Carter, 42; Broadwater, 43; Wheatland, 44; Prairie, 45; Granite, 46; Meagher, 47; Liberty, 48; Park, 49; Garfield, 50; Jefferson, 51; Wibaux, 52; Golden Valley,

53; Mineral, 54; Petroleum, 55; Lincoln, 56; any new counties shall be assigned numbers by the registrar of motor vehicles as they may be formed, beginning with the number 57.

(5) REGISTRATION OF MOTOR VEHICLES OWNED AND OPERATED SOLELY AS COLLECTORS' ITEMS, NUMBER PLATES FOR SUCH MOTOR VEHICLES. Any owner of a motor vehicle manufactured more than thirty (30) years prior to the date of the application referred to hereunder, solely as a collectors' item and not for general transportation purposes may file with the registrar of motor vehicles an application for the registration of such motor vehicle stating the name and address of the owner, the name and address of the person from whom purchased, the make of the motor vehicle, [illegible] the year and number of the model, and the manufacturer's identification number and serial number, and setting forth a specific statement that the vehicle is owned and operated solely as a collectors' item and not for general transportation purposes; and said application shall be sworn to before an officer authorized to administer oaths. The registration fee for all such motor vehicles [illegible] pounds shall be ten dollars ($10.00).

Upon receipt of said application for registration and payment of the registration fee above provided for the registrar shall file said application and register the motor vehicle therein described, and shall deliver to the applicant two (2) license plates bearing the

inscription, "Pioneer - Montana" and the registration number, but the year of issuance shall not be shown thereon. No annual renewal of the registration of any such motor vehicle shall be required, and the same shall be valid as long as the vehicle is in existence; Provided, however, that upon any sale of such motor vehicle, the purchaser shall be required to renew the registration thereof and pay the license fees hereinbefore specified.

(6) CERTIFICATES OF REGISTRATION AND OWNERSHIP, CONTENTS, ISSUANCE, ENTRY, ASSIGNMENT OF NUMBERS, OWNER'S REGISTRATION RECEIPT TO BE SIGNED, CARRIED AND EXHIBITED ON DEMAND. Upon completion of the application for registration, in quintuplet, on forms furnished by the registrar of motor vehicles, the county treasurer shall issue to the applicant two (2) copies of the application marked "Owner's Certificate of Registration and Tax Receipt," one (1) of which shall be marked "file copy" and forward one (1) copy of the application to the registrar of motor vehicles who shall cause to be entered the information contained in said application upon the corresponding records of his office and shall furnish the applicant a certificate of ownership, and said owner shall at all times retain possession of the certificate of ownership, except when the same is being transmitted to and from the registrar of motor vehicles for endorsement or cancellation. In the event the said certificate of ownership be in the possession or under the control of any person other than the person entitled to operate and possess the motor vehicle the same must be surrendered to the person entitled to operate and possess such motor vehicle, upon, demand, and refusal shall constitute a misdemeanor. At the same time, he shall issue to any

conditional sales vendor, or other person holding the legal title to the vehicle, or any mortgagee thereof, or other lien holder, a statement of the filing of such conditional sales contract, mortgage or other lien, said certificate of registration and ownership shall meet the following requirements:

The certificate of registration and the certificate of ownership shall each contain upon the face thereof: (1) the date issued, (2) the registration number assigned to the owner and the vehicle, (3) the name and complete address of the owner and the name and complete address of any conditional sales vendor, and also the name and address of any other lienor as shown by said application, (4) a description of the registered vehicle including the year built and serial number, if any, (5) any lien against such motor vehicle and the amount due at the date of registration, and such other statement of facts as may be determined by the registrar.

Upon receipt of the application the registrar shall make a recheck of the application and in the event that there is any error in the application it may be returned to the county treasurer to effectively secure the correction of such error, who shall return the same to the registrar of motor vehicles.

The reverse side of the certificate of ownership shall contain a form of notice to the registrar of a transfer of title or interest of the owner and such other statement on forms as may be determined by the registrar.

Owner's certificate of registration receipt to be signed, carried, and exhibited on demand. (a) Every owner, except owners of passenger cars, upon receiving a registration receipt shall write his signature thereon with

pen and ink in the space provided. Every such registration receipt or a notarized photostatic copy thereof or a duplicate thereof furnished by the registrar of motor vehicles shall at all times be carried in the vehicle, except passenger cars, to which it refers or shall be carried by the person driving or in control of such vehicle, except passenger cars, who shall display the same upon demand of a police officer or any officer or employee of the registrar of motor vehicles or the highway department. (b) the provisions of this section requiring that a registration receipt be carried in the vehicle to which it refers or by the person driving the same shall not apply when such receipt is used for the purpose of making application for renewal of registration or upon a transfer of registration of said vehicle.

The term "motor vehicle" includes automobile, truck, motorcycle, semitrailer, trailer and trailer-house.

Any trailer, semitrailer or trailer-house which does not have a manufacturer's or other identifying number thereof shall be assigned an identification number by the registrar upon registration of such motor vehicle. The owner or other person lawfully in possession of such motor vehicle shall stamp such number so assigned by the registrar upon the principal right frame member of said motor vehicle near the front end thereof where it may be clearly and readily seen, and said stamping shall be promptly accomplished after notice of the assigned number by the registrar. The registrar may withhold registration until satisfactory proof, by affidavit, of such stamping is filed with him.

(7) RENEWAL OF REGISTRATION. Every vehicle regis-

tration under this act shall expire on December thirty-first of each year and shall be renewed annually upon application and payment of license fees, such renewal to take effect on the first day of January of each year. The certificate of registration issued hereunder shall be valid during the registration year only for which issued, and the certificates of ownership shall remain valid until cancelled by the registrar of motor vehicles upon a tranfer of any interest shown therein and need not be renewed annually. Upon annual renewal, whenever the legal owner of the vehicle is other than the registered owner, the registrar of motor vehicles shall immediately notify such legal owner by mail of the registration number assigned to such vehicle for the ensuing year.

The owner of a vehicle registered under the provisions of this act shall be entitled to operate such vehicle between January ~~fifteenth~~ first and February ~~first~~ fifteenth without displaying the registration certificate of the current year, on condition that such owner shall, during said period, display upon such vehicle the number plates or plate assigned thereto for the previous year.

Any purchaser of a motor vehicle from a duly licensed motor vehicle dealer which has not been registered or reregistered for the current year may during the time the certificate of ownership thereto is in the process of being transferred in the office of the registrar of motor vehicles, upon making an affidavit to that effect upon a form prescribed by the registrar of motor vehicles and upon the payment of a fee of one dollar($1.00) to be collected by the county treasurer and remitted to the Registrar, obtain from the county treasurer of the county in which said vehicle is subject to tax a temporary

windshield sticker of such size, color and design as the board may prescribe, to be validated by the county treasurer for a period of thirty (30) days from the date of issuance, and such purchaser, upon displaying such sticker on the lower right-hand corner of the windshield of such motor vehicle and upon displaying the number plates or plate assigned thereto for the previous year (unless the seller has been unable to deliver such previous year's plate or plates) shall be entitled to operate such vehicle during the period for which such windshield sticker has been validated without displaying the registration certificate or number plates or plate for the current year.

(8) TRANSFER OF TITLE OR INTEREST. (a) Upon a transfer of any title or interest of an owner or owner in or to a motor vehicle registered under the provisions of this act as hereinbefore required, the person or persons whose title or interest is to be transferred shall write their signatures with pen and ink upon the certificate of ownership issued for such vehicle, in the appropriate space provided upon the reverse side of such certificate, and such signature shall be acknowledged before a notary public.

(b) Within ten (10) days thereafter, the transferee shall forward both the certificate of ownership so endorsed and the certificate of registration, together with the information required under subsection (6) hereof, to the registrar, who shall file the same upon receipt thereof and no certificate of ownership and certificate of registration shall be issued by the registrar of motor vehicles until the outstanding certificates are surrendered to that office or their loss established to

his reasonable satisfaction.

(c) The provisions of sub-division (b) of this section, requiring a transferee to forward the certificate of ownership after endorsement and the certificate of registration to the registrar, shall not apply in the event of the transfer of a motor vehicle to a duly licensed automobile dealer intending to re-sell such vehicle, and who operates the same only for demonstration purposes, but every such dealer shall upon transferring such interest deliver such certificate of ownership and certificate of registration with an application for registration executed by the new owner in accordance with the provisions of subsection (6) hereof, and the registrar upon receipt of said certificate of ownership, certificate of registration and application for registration, together with the conditional sales contract or other lien, if any, shall issue a new certificate of ownership and certificate of registration together with a statement of any conditional sales contract, mortgagee, or other lien as provided in said subsection (6) hereof.

(d) Until said registrar shall have issued a certificate of registration and certificate of ownership and statement as hereinbefore provided, delivery of any motor vehicle shall be deemed not to have been made and title thereto shall not have passed and said intended transfer shall be incomplete and not be valid or effective for any purpose.

(e) In the event of a transfer by operation of law of any title or interest of an owner of the legal title or owner in and to a motor vehicle registered under the provisions of this act, as upon inheritance, devise or bequest, order in bankruptcy or insolvency, execution sale, repossession upon default in the performance of the terms of

a lease or executory sales contract, or otherwise than by voluntary act of the person whose title or interest is so transferred, the executor, administrator, receiver, trustee, sheriff or other representative or successor in interest of the person whose title or interest is so transferred shall forward to the registrar of motor vehicles an application for registration in the form required for an original application for registration, together with a verified or certified statement of the transfer of such title or interest which statement shall set forth the reason for such involuntary transfer, the title or interest so transferred, the name or names of the person or persons to whom such title or interest is to be transferred, the process of procedure effecting such transfer and such other information as may be requested by the registrar and with such statement shall be furnished such evidence and instruments as may otherwise be required by law to effect a transfer of legal or equitable title to or an interest in chattels as may be required in such cases, and in the event the registrar shall be satisfied that such transfer is regular and that all formalities as required by law have been complied with, he shall cause to be sent to the owner, conditional sales vendors, lessors, mortgagees and other lienors, as shown by his records notice of such intended transfer and thereafter, but not less than five (5) days thereafter, shall register such motor vehicle and shall issue a new certificate of ownership and certificate of registration to the person or persons entitled thereto. The notice herein required shall be deemed complied with by deposit in the post office in Deer Lodge, Montana, such notice, postage prepaid, addressed to such person or persons at the respective addresses shown on his records.

In the event of the death of an owner of one or more motor vehicles and/or trailer, and/or semi-trailer, and/or trailer-house registered hereunder and not exceeding the value of one thousand dollars ($1,000.00), without leaving other property necessitating the procuring of letters of administration or letters testamentary, then the surviving husband or wife, or other heir, unless such property is by will otherwise bequeathed, may secure transfer of the certificate of ownership and the certificate of registration of the deceased, in and to such motor vehicle in the name of the surviving husband or wife or other heir, as above mentioned, upon filing with the registrar an affidavit of such person setting forth the fact of survivorship and the name and address of any other heirs and such other facts as are hereby made necessary to entitle the affiant to a transfer and thereupon the registrar is authorized to make such transfer of the certificate of ownership and certificate of registration, subject to all contracts, leases, mortgages, or other liens as shown by his records.

Nothing in the foregoing subdivision of this section shall prevent any conditional sales vendor, mortgagee, or other lienor from assigning his interest or title in or to a motor vehicle registered under the provisions of this act to any other person without the consent of and without effecting the interest of the holder of the certificate of ownership and certificate of registration. Upon any conditional sales vendor, mortgagee, or other lienor assigning his interest in any motor vehicle registered under this act a copy of such assignment must be filed with the registrar and record thereof made upon his records.

(f) Every person who transfers any motor vehicle to a junk dealer for the purpose of scrapping said vehicle shall

so notify the registrar and deliver the certificate of ownership and certificate of registration to the registrar for cancellation.

(9) FILING OF LIENS, RIGHTS, PROCEDURE, FEES. (a) No chattel mortgage, conditional sales contract, lease or other lien on a motor vehicle shall be valid as against creditors, subsequent purchasers or encumbrancers unless and until such mortgage, conditional sales contract, lease or other lien, or a true copy thereof certified by a notary public has been filed with the registrar of motor vehicles as hereinafter provided; the registrar shall not file any mortgage, conditional sales contract, lease or other lien unless such mortgage, conditional sales contract, lease or other lien is accompanied by the certificate of ownership of such vehicle, except in the sale of a new motor vehicle by a duly licensed dealer, and when such mortgage, conditional sales contract, lease or other lien or certified copy thereof is so presented for filing the registrar shall file the same entering upon his records the name and address of the mortgagee, conditional sales vendor, lessor, or other lienor together with the amount of the lien and he shall at the same time endorse the same information upon the face of the certificate of ownership, mailing a statement certifying to the filing of such mortgage, conditional sales contract, lease or other lien, to the mortgagee, vendor, or other lienor and mail the certificate of ownership to the owner at the address given on said certificate. The owner being the person entitled to operate and possess such motor vehicle.

(b) A chattel mortgage on a motor vehicle is hereby expressly excepted from the provisions of sections 52-304 to 52-306 inclusive and a conditional sales contract on a motor

vehicle is hereby excepted from the provisions of sections 74-204 to 74-206 inclusive insofar only as they relate to the place of filing of chattel mortgages, affidavits of renewal, conditional sales contracts or releases.

(c) From and after the filing of any mortgage, conditional sales contract, lease, or other lien, or copy thereof, on any motor vehicle, as herein provided, then and in that event such mortgage, conditional sales contract, lease or other lien shall be constructive notice of the said mortgage, conditional sales contract, lease or other lien and its contents to subsequent purchasers and encumbrancers.

(d) Upon default under a chattel mortgage covering a motor vehicle the mortgagee may foreclose his mortgage as in the case of other personal property, and upon default under a conditional sales contract covering a motor vehicle the vendor shall have the remedies prescribed by section 74-207 upon delivery to the sheriff of the original instrument or a copy certified by the registrar of motor vehicles, and in case of attachment of motor vehicles all the provisions of section 52-309 shall be applicable except deposits must be made with the registrar of motor vehicles instead of the county treasurer.

(e) In the event any conditional sales vendor or assignee or chattel mortgagee or assignee fails to file a satisfaction of a chattel mortgage, assignment or conditional sales contract within fifteen days after receiving final payment on such mortgage, assignment, or conditional sales contract he shall be required to pay the registrar of motor vehicles the sum of one dollar($1.00) for each and every day thereafter that he fails to file such satisfaction. All moneys paid to the registrar of motor vehicles under this section shall be remitted by him to the state highway

fund.

(f) Upon receipt of any liens, or notice of liens dependent on possession, or attachments, etc., against the record of any motor vehicle registered in this state, the registrar shall within 24 hours, mail to the owner, conditional sale vendor, mortgagees, or assigness of any thereof a notice showing the name and address of the lien claimant, amount of the lien, date of execution of lien, and in the case of attachment the full title of the court and the action and the name of the attorneys for the plaintiff and/or attaching creditor.

(g) It shall not be necessary to refile with the registrar of motor vehicles any instruments on file in the offices of the county clerks and recorders at the time this law takes effect.

(h) A fee of one dollar ($1.00) shall be paid to the registrar of motor vehicles upon and for filing any lien or lien instrument against any motor vehicle, and said fee of one dollar ($1.00) shall further include and cover the cost of filing a satisfaction or release of the lien or lien instrument, and, also, the cost of endorsing such satisfaction or release on the face of the certificate of ownership or on the records of the registrar, or both. A fee of fifty cents ($.50) shall be paid the registrar of motor vehicles for issuing a certified copy of a chattel mortgage, conditional sales contract or other lien, or instrument of encumbrance on file in the office of the registrar, or for filing any assignment of any instrument on file with the registrar.

(10) WHAT ARE PARTS OF MOTOR VEHICLE. Tires, casings, and/or tubes mounted on a motor vehicle are an integral and component part of said motor vehicle and any tire,

casing and/or tube placed thereon are subject to any conditional sales contract, mortgage, lease or other lien on said motor vehicle in the order of filing with the registrar and endorsement on the certificate of ownership.

(11) FEE FOR ORICINAL CERTIFICATE OF OWNERSHIP AND TRANSFER OF TITLE. A charge of one dollar ($1.00) shall be made for issuance of an original certificate of ownership of title which shall be collected by the county treasurer for the registrar of motor vehicles the first time any vehicle is registered by any owner. Said charge of one dollar ($1.00) shall be remitted to the registrar of motor vehicles by the county treasurer with each application for registration. Upon a transfer of registration by the owner, there shall be forwarded to the registrar of motor vehicles, the certificate of ownership or title and registration card, properly filled out and executed, together with a transfer fee of one dollar ($1.00).

(12) LOST CERTIFICATES. In the event any certificate of registration or ownership shall be lost, mutilated or become illegible, the persons to whom the same shall have been issued shall immediately make application for and may obtain a duplicate thereof, upon furnishing satisfactory information to the registrar of such facts and upon payment of a fee of one dollar ($1.00).

(13) APPLICATION FOR RECISTRATION OF MOTOR VEHICLES AND PAYMENT OF LICENSE FEES THEREON, ASSESSMENT OF MOTOR VEHICLES IN THE STOCK OF LICENSED MOTOR VEHICLE DEALERS AS MERCHANDISE, PROPORTIONAL RECISTRATION OF FLEETS OF VEHICLES ENCAGED IN INTERSTATE COMMERCE. (1) Every owner of a motor vehicle operated or driven upon the public highways of this state shall, for each motor vehicle owned, except as herein otherwise expressly provided, file, or cause to be filed, in the office of the county treasurer wherein such motor vehicle is owned

or taxable, an application for registration, or re-registration, upon blank form to be prepared and furnished by the registrar of motor vehicles, executed in quintuplet, which application shall contain:

(a) Name and address of owner, giving county, school district, and town or city within whose corporate limits the motor vehicle is taxable.

(b) Name and address of conditional sales vendor, mortgagee or holder of other lien against said motor vehicle, with statement of amount owing under such contract or lien.

(c) Description of motor vehicle, including make, year model, engine and serial number, manufacturer's model or letter, gross weight, type of body and, if truck, the rated capacity.

(d) In case of re-registration, the license number for the preceding year.

(e) Such other information as the registrar of motor vehicles may require.

(2) Before filing such application with the county treasurer, the applicant shall submit the same to the county assessor of said county and said county assessor shall enter on said application in a space to be provided for that purpose, the full and true and the assessed valuation of said vehicle for the year for which said application for registration is made.

(3) The applicant shall, upon the filing of said application (1) pay to the county treasurer the registration fee, as provided in subsections (23) amd (14) hereof, and shall also at such time (2) pay the personal property taxes assessed against said vehicle for the current year of registration (unless the same shall have been theretofore paid for said Year) before the application of registration or re-registration may be accepted by the county treasurer. The county treasurer is hereby empowered to make full and complete investigation

of the tax status of said vehicle and any applicant for registration or re-registration must submit proof with respect thereto from the tax records of the proper county at the request of the county treasurer.

(4) The amount of taxes on said motor vehicle shall be computed and determined by the county treasurer on the basis of the levy of the year preceding the current year of application for registration or re-registration and such determination shall be entered on the application form in a space provided therefor.

(5) Motor vehicles, except as hereinafter provided, are hereby declared to be assessable for taxation as of and on the first day of January in each year irrespective of the time fixed by law for the assessment of other classes of personal property, and irrespective of whether or not the levy and tax may be a lien upon real property within the state of Montana, provided that in no event shall any motor vehicle be the subject to assessment, levy and taxation more than once in each year, and provided, further, that new motor vehicles, and used motor vehicles which have not previously been assessed and licensed during the current year, when held for sale in the stock of any duly licensed motor vehicle dealer or used motor vehicle dealer, are hereby declared to be merchandise and shall be assessed as of the first Monday in March in each year in the same manner as other stocks of merchandise.

(6) The applicant for original registration of any wholly new and unused motor vehicle acquired by original contract after the first day of January of any year shall be required, whenever such vehicle has not been otherwise assessed, to pay the motor vehicle sales tax provided by section 53-617, Revised Codes of Montana, 1947, irrespective

of whether or not such vehicle was in the state of Montana on the first day of January of such year.

(7) Upon accepting application for registration or re-registration of any motor vehicle which is subject to taxation in this state on January 1st in any year, and upon payment of taxes, the county treasurer shall stamp on said application: "Taxes on this vehicle due January 1st of current year paid by applicant, prior applicant or owner and this vehicle is eligible for registration."

Upon accepting application for registration of any motor vehicle which was not subject to taxation in this state on January 1st in any year, the county treasurer shall indicate such fact by proper entry on said application; and in case such motor vehicle shall have been assessed for taxation as a part of the stock of merchandise of a licensed dealer, the county treasurer shall indicate such fact by proper entry on said application, and the applicant for registration shall not be required to pay the personal property tax on any motor vehicle so assessed as merchandise.

(8) The registrar of motor vehicles shall have authority to make proper entry on any certificate of title to any motor vehicle respecting payment of taxes in accord with the fact.

(9) (a) Any owner engaged in operating fleets of two or more vehicles in this state in interstate commerce may, in lieu of registration of such vehicles under the general provisions of this act, register and license such fleet for operation in this state by filing a sworn application with the registrar of motor vehicles, and filing a duplicate copy of said statement with the county treasurer or county treasurers of the proper counties for registration, declaring the total mileage operated by such vehicles in all states and in

this state during the preceding calendar year and describing and identifying each such vehicle to be operated in this state during the ensuing license year. Such statement shall also designate a sufficient number of certain vehicles to be registered and licensed under this section to produce total fee payments obtained by applying the proportion of in-state fleet miles, developed in those states having a valid proration agreement with Montana, as reported in said statements, to the annual fees which would otherwise be required for total fleet registration in this state. The registrar of motor vehicles shall thereupon notify the proper county treasurer or county treasurers of the designated vehicles to be licensed, who, on payment of proper fees, will issue the licenses, and the registrar of motor vehicles shall upon payment of a fee of one dollar ($1.00) for each vehicle listed in said statement issue a distinctive sticker or other identification for each vehicle names in said statement identifying it as an interstate fleet which shall be exempt from all further license and annual weight fee requirements of this state, which may be specified herein or in Title 53, R.C.M. 1947, as amended, provided, that each of such vehicles is properly and duly licensed and registered in some other state, district, possession or territory of the United States or some foreign province, state or country. The proportional registration and licensing provisions of this section shall apply to vehicles added to said fleet and operated in this state during the license year. Montana operators electing to register an interstate fleet shall comply with all requirements of this section relating to the payment of property taxes on his entire fleet. The right of out-of-state operators to proportional registration hereunder shall be subject to the terms and conditions of any receiprocity agreement or declaration made and filed by the registrar of motor vehicles under the provisions of subsection 31 hereof.

(b) Mileage proportions for interstate fleets not operated in this state during the preceding year will be determined by the registrar of motor vehicles upon the sworn application of the applicant on forms to be supplied by the registrar of motor vehicles, which will show the operations of the preceding year in other states and the estimated operation in Montana or if no operations were conducted the previous year a full statement of the proposed method of operation.

(c) Any owner complying with and being granted proportional registration shall preserve the records on which the application is made for a period of four (4) full years following the year upon which said application is based. Upon request of the registrar of motor vehicles, the owner agrees to make such records available to the registrar of motor vehicles at his office for audit as to accuracy of computaion and payments, or to pay the costs of an audit by the registrar of motor vehicles or his duly approinted representative at the home office of the owner. If by audit, it is determined that the owner should have registered more vehicles in Montana under provisions of this paragraph, the registrar of motor vehicles may deny such owner the right of any further benefits by reason of any reciprocal agreement or declaration until the fees for such additional vehicle or vehicles which should have been registered are paid to the registrar of motor vehicles. All license fees which should have been paid under the provisions of this paragraph shall be a lien upon all the property of the owner and such lien shall attach at the time the license fees shall be determined by the registrar of motor vehicles and shall have the effect of an execution duly levied on such property of the owner and shall so remain until said additional fees, so determined are paid or the property sold for the payment thereof.

(d) Wherever any provision in any law makes reference to section 53-114, such reference shall be deemed to refer to this subsection of this law.

(14) TIME FOR MAKING APPLICATION. Registration must be renewed annually and license fees paid annually. All registrations expire on December 31 of the year in which they are issued and application for registration, or re-registration, must be filed with the county treasurer as aforesaid not later than February 1 of each year.

(15) ISSUANCE OF RECEIPT AND ASSIGNMENT OF NUMBER PLATES. Upon receipt of application for registration, in quintuplet, and payment of license fee and taxes as herein provided, the county treasurer shall file one copy of said application in his office; issue to the applicant two (2) copies of the application entitled "Owner's Certificate of Registration and Tax Receipt" one (1) of which shall be marked "file copy"; forward one (1) copy to the county clerk and recorder; and he shall daily forward to the registrar of motor vehicles one (1) copy of the application for registration. The county treasurer shall also, and at the same time, assign such motor vehicle a distinctive number, viz., the license plate number, and deliver to the applicant two (2) license plates, as received from the registrar of motor vehicles which shall bear such distinctive numbers. The registrar shall ship said license plates to the various county treasurers by freight, so that they will be received by the county treasurer on or before January first of each year. It shall not be necessary for the county treasurer, in said receipt, to segregate the amount of said taxes for state, county, school district and municipal purposes.

(16) DISPOSITION OF TAXES AND LICENSE FEES COLLECTED

AND METHOD OF PAYMENT OF EXPENSES OF COSTS OF MAKING AND DELIVERING LICENSE PLATES AND IDENTIFICATION MARKS, CERTIFICATES AND ALL OTHER EXPENSE OF OPERATING THE MOTOR VEHICLE DEPARTMENT. The county treasurer shall credit all taxes on motor vehicles so collected to a motor vehicle suspense fund and, at some time between March 1 and March 10 of each year, and every sixty (60) days thereafter, the county treasurer shall distribute the same in relative proportions required by the levies for state, county, school district and municipal purposes in the same manner as other personal property taxes are distributed. All motor vehicle license fees collected by the county treasurer shall be remitted to the State Treasurer who shall credit the State Highway Fund.

(17) APPLICATION FOR DEALER'S LICENSE. Every dealer in new motor vehicles, used motor vehicles, trailers, semitrailers, or automobile accessories shall cause to be filed, by mail or otherwise, in the office of the registrar of motor vehicles, a certified application for registration as a dealer on a blank to be furnished by the registrar for that purpose, and containing the information therein required. Each application must be accompanied by the registration fee hereinafter named. Dealers registration must be renewed and paid for annually, and an application for re-registration must be filed not later than January first of each year. Upon the registration of a dealer as a new motor vehicle dealer, used motor vehicle dealer, or trailer or semitrailer dealer, the registrar of motor vehicles shall assign to such dealer a distinctive serial registration number as a dealer and furnish every dealer in motor vehicles with not less than two (2) sets of number plates, and as many more as the fee the dealer pays entitles the dealer to, which number plates shall be similar to number plates furnished to owners of motor vehicles but shall bear thereon,

in addition to the serial number assigned such dealer, the letter "D" if the franchised dealer sells new motor vehicles (including trucks and trailers) or new and used motor vehicles (including trucks and trailers); the letters "UD" if the dealer sells used motor vehicles (including trucks and trailers) only; and the letters "DTR" if the dealer sells trailers and/or semitrailers (new or used) only. Only new motor vehicle dealers' license plates bearing the letter "D" shall be assigned if both new and used motor vehicles (including trucks and trailers) are sold, and only one registration fee shall be required of any one dealer. Dealers of all classes are hereby prohibited from using or displaying dealers' license plates on any motor vehicle except those held for sale or used principally in the conduct of the dealer's business in selling, demonstrating or servicing. No dealer's license plates shall be used or displayed on vehicles normally used exclusively for hire or for purposes not incident to the business of a motor vehicle dealer. If it shall appear to the satisfaction of the registrar of motor vehicles that any such dealer has used the dealer's license in a manner other than the one permitted above the registrar of motor vehicles may revoke such dealer's license. Any dealer violating the provisions of this section shall be guilty of a misdemeanor and subject to a fine of not less than twenty-five dollars ($25.00) and not more than one hundred dollars ($100.00).

(18) MUST HAVE LICENSE PLATES. Except as otherwise provided herein, no person shall operate a motor vehicle upon the public highways of this state without a license and unless such vehicle shall have been properly registered and shall have the proper number plates conspicuously displayed, one (1) on the front and one (1) on the rear of such vehicle,

eabh securely fastened so as to prevent the same from swinging and unobstructed from plain view, except that trailers and semi-trailers shall have but one (1) number plate conspicuously displayed on the rear. No person shall display on such vehicle at the same time any number assigned to it under any motor vehicle law, except as in this act otherwise provided. No person shall purchase or display on such vehicle any license plate bearing the number assigned to any county as provided in subsection (4) hereof other than the county of his permanent residence at the time of application for and issuance of said license plates. Provided, however, that the owner of any motor vehicle requiring a license plate on any motor vehicle used in the public transportation of persons or property may make application therefor in any county through which said motor vehicle passes in its regular scheduled route, and the license plate so issued bearing the number assigned to said county may be displayed on said motor vehicle in any county, and that when a transfer of ownership of any used motor vehicle bearing a current years licenses plate has been completed such license plate shall be valid in any other county of the state. It is further provided that it shall be unlawful to use license plates issued to one (1) vehicle on any other vehicle, trailers or semi-trailers, or repainting old license plates to resemble current license plates and any person violating these provisions shall be deemed guilty of a misdemeanor and shall be subject to the penalty as set out in section 53-132.

(19) SPECIAL PERMITS FOR VEHICLES ENGAGED IN A SINGLE MOVEMENT ON THE HIGHWAYS, FEE, LIMITATION, COUNTY TREASURER TO ISSUE. When any vehicle subject to license is to be moved upon the public highways of this state, from one point to another, the county treasurer may issue a special permit therefor upon application presented to him in such form as

shall be approved by the registrar of motor vehicles and upon payment therefor of a fee of five dollars ($5.00). Such permit shall be for the transit of the vehicle only, and the vehicle shall not, at the time of such transit, be used for the transportation of any persons, except the driver, or property whatsoever, for compensation or otherwise, and shall be for one (1) transit only between the points of origin and destination as set forth in the application.

(20) FEES CREDITED TO GENERAL ROAD FUND. All fees collected under subsection (19) hereof shall belong to the general road fund of the county and be for the use and benefit of that fund.

(21) REPLACING NUMBER PLATES. In the event of loss, mutilation, or destruction of number plates, the owner of the registered motor vehicle may obtain from the registrar of motor vehicles, duplicates thereof upon filing sworn declaration showing such fact and payment of a fee of two dollars ($2.00).

(22) RESIDENTS OPERATING MOTOR VEHICLES UNDER LICENSES ISSUED BY ANY STATE OTHER THAN MONTANA FORBIDDEN. It shall especially be provided that a resident of the state of Montana shall not operate a motor vehicle under a license issued by any other state than Montana, except when such vehicle is a part of an interstate fleet registered in accordance with the provisions of subsection (13) hereof.

(23) REGISTRATION FEES OF MOTOR VEHICLES, FEE, DISPOSAL OF PROCEEDS, FEE FOR HALF YEAR, DEALERS' REGISTRATION AND TRANSFER THEREOF, PUBLIC OWNED VEHICLES EXEMPT FROM LICENSE OR REGISTRATION FEES, LICENSE OR REGISTRATION FEES FOR TRAILERS, HOUSE TRAILERS, SEMITRAILERS AND TRACTORS, [illegible]

[illegible] PROVIDING FOR DEPOSIT OF ALL FEES, OTHER THAN LICENSE FEES, EXCEPT DEALER LICENSE FEES, COLLECTED BY THE REGISTRAR OF MOTOR VEHICLES, IN THE STATE HIGHWAY FUND [illegible] Registration or license fees shall be paid upon registration or re-registration of motor vehicles, trailers, house trailers, semitrailers and dealers in motor vehicles or trailers in accordance with this act, as follows:

Dealers in motor vehicles other than motorcycles, a minimum fee of thirty dollars ($30.00) which shall entitle such dealer to two (2) sets of number plates, and five dollars ($5.00) additional fee for each additional set of number plates up to six (6) sets, and two dollars ($2.00) additional fee for each additional set of number plates, as may be applied for by such dealer; provided, that each dealer be required to furnish the registrar of motor vehicles a statement showing the makes of motor vehicles handled by him, and the total number of each make sold by him during the preceding year, and that he not be issued a license unless he so conforms;

Dealers in motorcycles, trailers including house trailers, fifteen dollars ($15.00);

[illegible]

Motor vehicles, [illegible] other than motor trucks, ten dollars ($10.00);

Electrically driven passenger vehicles, ten dollars ($10.00);

All motorcycles, two dollars ($2.00);

Tractors and/or trucks, ten dollars ($10.00);

Busses shall be classed as motor trucks and licensed accordingly;

Trailers and semitrailers less than two thousand five hundred (2,500) pounds maximum gross loaded weight and house trailers of all weights, two dollars ($2.00);

Trailers and scmitrailers over two thousand five hundred (2,500) up to six thousand (6,000) pounds maximum gross loaded weight, except house trailers, five dollars ($5.00);

Trailers and semitrailers over six thousand (6,000) pounds maximum gross loaded weight, ten dollars ($10.00);

Trailers used exclusively in the transportation of logs in the forest or in the transportation of oil and gas well machinery, road machinery and bridge material exclusively, new and second-hand, and trailers used exclusively for the transportation of road machinery and bridge materials, shall pay a fee of fifteen dollars ($15.00) annually, regardless of size or capacity.

All rates to be twenty-five per cent (25%) higher for motor vehicles, trailers and semitrailers, when not equipped with pneumatic tires;

Bicycles with motor attachments, one dollar ($1.00)

Tractors, as specified in this section shall mean any motor vehicle, except passenger cars used for towing a trailer or semi-trailer.

All license or registration fees collected by the county treasurer of the county in which any motor vehicle is registered shall be credited to the motor vehicle license fund of ~~the~~ said county. The funds in said county motor vehicle fund shall be used as follows:

(a) Fifty per cent (50%) of the net license fees derived from the registration of motor vehicles, the owners of which reside within the boundaries of any incorporated city of the

state of Montana having a population of thirty-five thousand (35,000) or more or the owners of which reside within the boundaries of any incorporated city of the state of Montana which lies within one (1) mile of the city limits of an incorporated city of the state of Montana having a population of thirty-five thousand (35,000) or more, according to the federal census of 1930 and twenty-five per cent(25%) of the net license fees derived from the registration of motor vehicles, the owners of which reside within the boundaries of any city in the state of Montana having a population of ten thousand (10,000) or more, according to the federal census of 1950, and which city is situated in a county which has an area of less than seven hundred and fifty (750) square miles, shall be held by the county treasurer and segregated from other county road funds and designated as "city road fund", to be used in the city from which fees were derived for the construction of permanent streets within the incorporated limits of such city.

(b) The license fees held in the city road fund, as hereinbefore provided, at the end of each thirty (30) day period beginning March 1, 1955 to be paid by the county treasurer to the city treasurer to be held by such city treasurer in a separate fund designated as the"city road fund", shall be used by the city council of such city having the population of thirty-five thousand (35,000) or more, or by the city council of such city which lies within one (1) miles of the city limits of an incorporated city of the state of Montana, having a population of thirty-five thousand (35,000) or more, according to the federal census of 1930, or by the city council having a population of ten thousand (10,000) or more, according to the federal census of 1950 and situated in a county which has an area of less than seven hundred and fifty (750) square miles, only for the construction of permanent highways and streets within the boundaries of such incorporated city. Provided, that all construction

of public highways and streets, the cost of which is to be paid out of the fund derived from the license fees as herein provided, shall be under the supervision of the county surveyor of the county within whose boundaries such city is situated, subject to the control of the said city council and surveyor to designate the public highway or street upon which the work is to be done, and the type of pavement to be used, and provided further, that the cost of supervision of the county surveyor shall not exceed five per cent (5%) of the cost of said work.

(c) The net license fees derived from the registration of motor vehicles shall be by the registrar of motor vehicles transmitted to and paid over to the county treasurer of the county from which the registration fee came, such fees, excepting apportionment to the city road fund, to be used by said county for the construction, repair and maintenance of all public highways except state and federal highways, within the boundaries of said county, including city streets forming component parts of arterial highways within the corporate cities of less population than thirty-five thousand (35,000) according to the federal census of 1930, within the boundaries of said county other than any corporate city entitled to receive or expend the "city road fund," within the boundaries of said county.

If any dealer, or motor vehicle, house trailer, trailer, or semitrailer is originally registered six (6) months after the time of registration as set by law, the registration or license fee for the remainder of such year shall be one-half (½) of the regular fee above given.

A dealer in motor vehicles or trailers who shall maintain more than one (1) place of business or who shall maintain any branch establishment or establishments, must register and

pay a registration or license fee for each such place of business or establishment.

A registered dealer, who may sell or dispose of his entire business to any other person, may have his certificate of registration transferred to such purchaser upon filing with the registrar of motor vehicles a statement containing the name of the registered dealer, the number under which such dealer is registered, the name of the purchaser, and the location of the place of business so sold. Upon the filing of such statement, accompanied by a filing fee of one dollar ($1.00), the registrar of motor vehicles shall note upon the registration record of such dealer the change of ownership.. But no certificate of registration can be transferred unless the entire business of the dealer holding such certificate of registration be sold and disposed of, and no such certificate of registration can be transferred to any person other than the purchasers of such business.

The provisions of this act with respect to the payment of registration fees shall not apply to or be binding upon motor vehicles, trailers or semitrailers or tractors owned or controlled by the United States of America or any state, county or city, but in all other respects the provisions of this act shall be applicable to and binding upon motor vehicles, tractors, trailers, and semitrailers.

(d) All fees other than license fees mentioned and described in any subsection of this section of this law shall hereafter be remitted by said registrar to the State Treasurer, for the credit of the State Highway Fund.

(e) Wherever any provision in any law makes reference to section 53-122, such reference shall be deemed to refer to this subsection of this law.

(24) Wherever and whenever the "department of the registrar" is referred to in any law or laws, such reference shall be deemed to mean the functions of the Department of Motor Vehicles which relate to the registration of motor vehicles; and similarly, "Registrar" shall be deemed to mean "Director of Motor Vehicles."

(25) LICENSINC OF VEHICLES FROM OUT OF STATE. Every motor or other vehicle of the types required to be licensed, under the laws of this state, which shall enter this state with proof of evidence that it has paid a license fee for the ensuing year, under the laws of some other state or foreign government, shall immediately after entering the state of Montana, obtain a license at the first county seat, for operation in this state, in accordance with the provisions of this act.

(26) RECISTRATION OF FOREICN VEHICLES, APPLICATION. The owner of such registered foreign motor vehicle shall, upon a form to be prepared and furnished by the registrar of motor vehicles, apply to the registrar of motor vehicles in this state, the sheriff at the first county seat entered, who shall be a deputy registrar of motor vehicles, or such other agency or agencies as may have been designated by the registrar of motor vehicles for registration of such vehicle. Such form or application shall state, in addition to other matters that may be required, the following: The name and permanent business and residence address of the owner, number and description of the license already issued to the car.

(27) THIRTY-DAY LICENSE ISSUED FOR FOREIGN VEHICLES, WHEN. Upon receipt of the application duly signed, the registrar of motor vehicles, or his agency, if satisfied as to the truthfulness of the facts therein stated, shall, without charge, furnish to the applicant a registration certificate or device, or

an identification form, indicating that the holder thereof has complied with the requirements of this act and containing such other matters as may be deemed or considered necessary by it, the registrar of motor vehicles. Such certificate or device, so issued, shall be valid and authorize the operation of vehicles so registered within this state, without any charge or license fee, for a period of thirty (30) days from the date of issuance, but not beyond the current calendar year.

If the owner of the motor vehicle shall furnish satisfactory proof that he is not engaged in gainful occupation or business enterprise, but is in the state of Montana for recreational travel only, his foreign registration certificate may be extended an additional thirty (30) days without charge.

(28) CERTIFICATE TO BE DISPLAYED. The vehicle so registered under this act shall carry the certificate, or device, or identification, in plain sight in or upon said vehicle at all times when said vehicle is being operated or driven upon the public highways of this state.

(29) FILING OF APPLICATIONS FOR LICENSE TO OPERATE FOREIGN VEHICLES. The registrar of motor vehicles shall file said application for registration by non-resident owners in his office and suitably index the same and keep and maintain filings and indices with reference thereto, which shall be open to inspection by the public during reasonable business hours.

(30) REGISTRAR OF MOTOR VEHICLES TO ENFORCE ACT. The registrar of motor vehicles is hereby authorized and empowered to designate and shall appoint and maintain convenient agencies for the purpose of carrying into effect the provisions of this act, and for such purpose may designate county, city or town officers, or public societies, or clubs, or other

civic activities, banks or other business institutions as agencies therefor, and may establish and promulgate rules and regulations to carry out the purpose and intent of this act.

(31) FOREIGN VEHICLES USED IN GAINFUL OCCUPATION, ~~XXXXXXXXXXXXXXXXX~~ MAY MAKE RECIPROCAL AGREEMENTS TO EXEMPT. (1) Before any foreign licensed motor vehicle shall be operated on the highways of this state for hire, compensation or profit, or before the owner thereof uses the vehicle while engaged in gainful occupation or business enterprise, in the state of Montana, including highway work, the owner of such vehicle shall make application to a county treasurer for registration, upon an application form furnished by the registrar of motor vehicles. Upon satisfactory evidence of ownership submitted to such county treasurer, the treasurer shall accept the application for registration and shall collect the regular license fee required for the vehicle. The treasurer shall thereupon issue to the applicant a copy of the application entitled "Owner's Certificate of Registration Receipt" and forward a duplicate copy of certificate of registration to the registrar of motor vehicles. The treasurer shall at the same time issue to the applicant the proper license plates or other identification markers, which shall at all times be displayed upon such vehicle, when operated or driven upon roads and highways of this state, during the period of the life of such license. The registration receipt shall not constitute evidence of ownership, but shall only be used for registration purposes. No Montana certificate of title shall be issued for this type of registration. This paragraph shall not be applicable to any vehicle which is a part of an interstate fleet registered and licensed under the provisions of subsection (13) hereof, nor to any vehicle covered by a valid and existing reciprocal agreement or declaration entered into as hereinafter set forth.

(2) (a) The Director shall have the power to enter into agreements or arrangements with the duly authorized representatives of other states, the District of Columbia, territories or possessions of the United States and foreign states, provinces or countries granting exemption to owners of vehicles which are properly registered or licensed in such jurisdictions, and upon which evidence of registration is conspicuously displayed, from the payment, wholly or partially, of any taxes, fees or other charges imposed upon such owners with respect to the ownership or operation of such vehicles under the laws of this state. Such agreements or arrangements shall provide that owners of vehicles registered or licensed in this state who operate vehicles upon the highways of such other states, the District of Columbia, territories or possessions of the United States and foreign states, provinces or countries shall receive substantially equivalent exemptions, benefits and privileges as are extended to owners of vehicles from such jurisdictions in this state.

(b) Agreements or arrangements entered into under the authority herein granted may contain provisions authorizing an owner or owners of one of the states, district, territories, or possessions of the United States or foreign states, provinces or countries which is a party thereto to register or license vehicles in another jurisdiction which is a party thereto. Vehicles registered or licensed in one of such jurisdictions under such provision shall be exempt from registration or licensing requirements in the other jurisdiction or jurisdictions which are parties thereto and shall be entitled to all exemptions, benefits and privileges granted with respect to other vehicles registered or licensed in such jurisdiction, as to such interstate operations.

(c) Agreements or arrangements entered into under the

authority herein granted may contain provisions denying the exemptions, benefits and privileges granted thereunder to any owner who violates conditions stated therein or who violates rules and regulations for the administration of reciprocal exemptions, benefits and privileges issued by the Director.

(d) The Director is authorized to examine the legal requirements of motor vehicle registration license and weight fee statutes of states which grant reciprocal privileges to out-of-state owners but which do not authorize negotiation or execution of agreements by administrative officials and it is authorized to determine, by such examination, and to declare the extent and nature of the reciprocal exemptions, benefits and privileges to which owners of vehicles from such states shall be entitled under the laws of this state.

(e) All agreements, arrangements, declarations and rules and regulations authorized by this section shall be in writing and shall be made available to the public.

(f) Wherever any provision of law refers to section 53-129, such reference shall be deemed to refer to this subsection of this section.

(32) FOREIGN VEHICLES TO DISPLAY NUMBER PLATES. All foreign registered and licensed motor vehicles shall also carry in plain sight thereon the license plates or device from such other state or foreign country.

(33) PENALTIES. Any person violating the intent and purpose of this law shall be guilty of a misdemeanor, and upon conviction thereof, shall be punished by a fine of not less than ten dollars ($10), or more than fifty dollars ($50), or confined in the county jail for not more than thirty (30) days, or both such fine and imprisonment.

(34) DEFINITIONS. The words and phrases used in this section shall be construed as follows, unless the context may

otherwise require:

a. The words "motor vehicle" shall include all vehicles which are self-propelled, except road rollers, traction engines and railroad cars, farm tractors, and motor cars run upon stationary rails or tracks.

b. The term "motor-cycle" shall mean a motor vehicle having not more than three (3) wheels in contact with the ground and a saddle on which the operator sits astride, or a platform on which he stands, and bicycles having a motor attachment thereto and a driving wheel in contact with the ground, in addition to the wheels of the vehicle itself, but a motor-cycle may carry one or more attachments and a seat for the conveyance of a passenger.

c. The term "motor truck" shall include all motor vehicles designed or used for the transportation of commodities, merchandise, produce, freight or animals.

d. The term "trailer" shall include every vehicle without motive power, designated to carry property or passengers wholly on its own structure and to be drawn by a motor vehicle.

e. The term "semi-trailer" shall include every vehicle of the trailer type so designed and used in conjunction with a motor vehicle that some part of its own weight and that of its own load rests upon or is carried by another vehicle.

f. The term "owner" shall include any person, firm, association or corporation owning or renting a motor vehicle, or having the exclusive use thereof, under lease or otherwise, and shall also include a contract vendee.

g. The term "dealer" shall mean and include any person, firm, or corporation engaged in whole or in part in the business of buying, selling, repairing, and reconditioning either new or used motor vehicles, or both, and who maintains a place of business with adequate facilities and equipment for the servicing,

repair, maintenance, and reconditioning of new or used motor vehicles and also adequate display facilities for at least one motor vehicle, and no person, firm or corporation shall be issued a dealer's license by the registrar of motor vehicles unless they qualify as a dealer defined herein, provided, however, that a used car dealer only shall have a building as an established place of business and need no facilities for repair, maintenance and reconditioning of used cars, and shall deliver to the buyer on completion of sale a transferable title, and shall purchase a Montana store license.

h. "Trailer dealer" shall mean and include any person, firm or corporation engaged in whole or in part in the business of buying or selling trailers or semi-trailers with facilities for displaying one or more trailers or semi-trailers.

i. The term "vehicle" shall include any motor vehicle as herein defined.

j. The term "used motor vehicle" shall include any motor vehicle which has been sold, bargained, exchanged, given away or title transferred from the person who first took title to it from the manufacturer or importer, dealer or agent of the manufacturer or importer, and so used as to have become what is commonly known as "second-hand" within the ordinary meaning thereof.

k. The term "manufacturer" shall include any person, firm, corporation or association engaged in the manufacture of any motor vehicles, trailers, or semi-trailers as a regular business.

(35) CERTIFICATES FOR DEALERS AND MANUFACTURERS. In the case of dealers in motor vehicles or motorcycles, including manufacturers who sell to others than dealers, all of whom are intended to be covered by this and all other provisions of this section, a separate certificate of title, either of such dealer's immediate vendor, or of the dealer himself, shall be

required in the case of each motor vehicle in his possession, and the registrar of motor vehicles shall determine the form in which application for such certificates to title and assignments thereof shall be made.

(36) CERTIFICATE OF REGISTRATION FOR WHICH LICENSE PREVIOUSLY ISSUED, FEE FOR DUPLICATE. Every person applying for a certificate of registration of any motor vehicle for which a license has previously been issued, shall present to the registrar of motor vehicles either the original or a duplicate of such certificate of registration. A charge of twenty-five cents shall be made by the registrar of motor vehicles for all duplicate certificates of title or of registration issued by him.

(37) ALTERATION OR FORGERY OF CERTIFICATE OF TITLE OR ASSIGNMENT THEREOF AND PENALTY THEREFOR. Any person who shall alter or forge or cause to be altered or forged, any certificate of title issued by the registrar of motor vehicles pursuant to the provisions of this section, or any assignment thereof, or who shall hold or use any such certificate or assignment knowing the same to have been altered or forged, shall be deemed guilty of a felony, upon which conviction thereof shall be liable to pay a fine of not more than five thousand dollars ($5,000.00) or to imprisonment in any penal institution within the state for a period of not more than ten years, or both, in the discretion of the court.

(38) REPORT OF STOLEN AND RECOVERED MOTOR VEHICLES. It shall be the duty of the sheriff of every county of the state and of the chief of police or commissioner of police of every city to make immediate report to the registrar of motor vehicles of all motor vehicles reported to him as stolen or recovered, upon forms provided for by the registrar of motor vehicles. Failure on the part of any officer shall be deemed to be

misfeasance in office and shall constitute grounds for removal. Upon receipt of such information, the registrar of motor vehicles shall file the same in an index to be known as the "stolen and recovered motor vehicle index." It shall also be the duty of the registrar of motor vehicles to file reports of stolen and recovered motor vehicles reported to him from other states. The registrar of motor vehicles shall prepare once a month a list of all motor vehicles stolen or recovered during the previous month and forward a copy of the same to every sheriff, and all police departments in cities of the first, second and third class. Such list shall also be forwarded to the secretary of state, or other proper official, in each state of the United States. Before issuing a certificate of title, as heretofore provided, the secretary of state shall check the motor and serial number on the motor vehicle to be registered against the "stolen and recovered vehicle index."

(39) LICENSING OF SECOND-HAND DEALERS, KEEPING RECORDS OF VEHICLES RECEIVED FOR SALE AND PENALTY. (1) From and after the passage and approval of this act, it shall be unlawful for any person to carry on or conduct in this state the business of buying, selling or dealing in used vehicles and parts thereof, unless and until he shall have received a license from the registrar of motor vehicles authorizing the carrying on or conducting of such business. Such license shall be furnished annually by the registrar of motor vehicles and shall run from the first day of January, nineteen hundred forty-seven, and annually thereafter for each year, beginning on the first day of January.

(2) The application for said license shall be in such form as may be prescribed by the said registrar of motor vehicles and subject to such rules and regulations with respect thereto as may be so prescribed by him. Such application shall be

verified by oath or affirmation and shall contain a full statement of the name or names of the person or persons applying therefor, the name of the firm or co-partnership with the names and places of residence of all the members thereof, if such applicant be a firm or co-partnership, the name and residence of the principal officers, if the applicant be a body corporate or other artificial body, the name of the state under whose laws the corporation is organized, the location of the place or places at which such business is to be carried on and conducted, and said application shall contain such other relevant information as may be required by the registrar of motor vehicles. It shall be accompanied by a statement of two reputable persons of the community in which the principal place of business is to be located, certifying to the good moral character of the person or persons applying for such license. Upon making such application the person applying therefor shall pay to the registrar of motor vehicles in addition to the fees required of dealers under the provisions of subsection (23) hereof, a fee of five dollars ($5.00).

(3) A license certificate shall be issued by the registrar of motor vehicles in accordance with such application when the same shall be regular in form and in compliance with the provisions of this section, and such license, when so issued, shall entitle the licensee to carry on and conduct the business of buying and selling and dealing in used vehicles and parts thereof, for a period of one (1) year from the first day of January of the current year. The registrar of motor vehicles shall have the power to make suitable rules and regulations for the issuance of such licenses to expire

upon the first day of January of the succeeding year, when the application therefor shall be made during the current year, and upon payment of a license fee of three dollars ($3.00) provided application is made after July first of any year.

(4) Any person conducting the business of buying, selling or dealing in used vehicles and having received a license therefor, shall before removing any one (1) or more of his places of business, or shall, before opening any additional places of business, apply to the registrar of motor vehicles for, and obtain, a supplemental license, for which no fee shall be charged. Every such licensee shall keep a book or record in such form as may be prescribed or approved by the registrar of motor vehicles, in which he shall keep a record of the purchase, sale or exchange or receipt for the purpose of sale, of any second-hand vehicle or parts thereof, a description of such vehicles or parts, together with the name and address of the seller, of the purchaser, and of the alleged owner or other person from whom such vehicle or parts were purchased or received, or to whom they were sold or delivered, as the case may be. Such description in the case of motor vehicles shall also include the engine number, if any, the maker's number, if any, chassis number, if any, and such other numbers or identification marks as may be thereon, and shall also include a statement that a number has been obliterated, defaced or changed, if such is the fact. In the case of a trailer or semi-trailer, the record shall include the manufacturer's number and such other numbers or identification marks as may be thereon,. He shall also have in his possession a duly assigned certificate of title from the owner of said motor

vehicle in accordance with the provisions of another section of this act, from the time when the motor vehicle is delivered to him until it has been disposed of by him.

(5) Any person guilty of violating any of the provisions of this section shall be guilty of a misdemeanor.

(40) PENALTY FOR SALE OF VEHICLE WITH ENGINE NUMBER ALTERED OR CHANGED, APPLICATION FOR SPECIAL NUMBER. (1) Any person or persons, firm or corporation, who, thirty days after the taking effect of this section, shall sell or offer for sale in this state a vehicle, the original engine number of which has been destroyed, removed, altered, covered or defaced, with the exception of electrically propelled vehicles, shall be deemed guilty of a misdemeanor, and upon conviction thereof, shall be punished by a fine of not less than two hundred dollars, nor more than five hundred dollars, and by imprisonment in the county jail for a term of not less than thirty (30) days, nor more than one hundred and eighty days, and upon a second or subsequent conviction under this section, the punishment shall be imprisonment in the state prison for a term of not less than one year nor more than five years: Provided, however, that any person or persons, firm or corporation, being the owner or custodian of or having possession of a vehicle at the time of the taking effect of this article, the original engine number of which has been previously destroyed, removed, altered, or defaced, shall before the expiration of thirty (30) days after the taking effect of this article apply to the registrar of motor vehicles on a blank to be prepared and furnished by the registrar of motor vehicles upon request, for permission to make or stamp, or cause to be made or stamped on the engine of such vehicle, a special engine number.

(2) The application for permission to make or stamp

a special engine number on the engine of a vehicle under the provisions of this article shall contain a description of such vehicle including the make, style and year of model of the same, as complete a description of the original engine number, if any part of the same remain, as is possible to give, any distinguishing marks that may be on the engine or body of such vehicle and the name and post office address of the applicant, the date on which he purchased or procured possession of the same, the name and post office address of the person or persons from whom he purchased such vehicle, and such information as the registrar of motor vehicles may require, all of which description and facts shall be sworn to by said applicant before a notary public or other person authorized in this state to administer oaths or take acknowledgments.

(3) Upon receipt of such application, together with a fee of one dollar, the registrar of motor vehicles shall issue to said applicant written permission to make or stamp on the engine of such vehicle a special engine number to be designated by the registrar of motor vehicles, and when such special engine number so designated has been stamped or otherwise placed on the engine of such motor vehicle it shall become and thereafter be the lawful engine number of such vehicle, for the purpose of identification and registration and for all other purposes under the provisions of this chapter, and the owner thereof may sell or transfer the same under said special engine number so designated by the registrar of motor vehicles; and any person or persons who shall destroy, remove, cover, alter or deface any special engine number so designated by the registrar of motor vehicles shall be deemed guilty of a felony and upon conviction thereof

shall be punished by imprisonment in the state prison for a term of not less than two (2) years nor more than ten (10) years.

(4) In designating special engine numbers for motor vehicles under the provisions of this chapter the registrar of motor vehicles shall designate and number the same consecutively, beginning with the number (1), preceded by the letters S.N. and followed by the letters for each and every make of motor vehicle for which a spccial application engine number shall be made, and in the order of the filing of application therefor: Provided, that from and after the taking effect of this section, the registrar of motor vehicles shall not register any vehicle without an engine number or issue a license for the operation of the same except as specifically provided for herein; and further, before issuing said license the registrar of motor vehicles shall require of the applicant a statemcnt that the special number assigned to be placed on thc particular vehicle in question has been put on in a workmanlike manner, and this statement shall be certified to by the sheriff, chief of police, or other convenient peace officer, that he has inspected said vehicle and found said number to be on said motor vehicle as required by the registrar of motor vehicles. Nothing herein shall be construed to prevent any manufacturer or importer, or their agents other than dealers, from doing his own numbering on motor vehicles or parts removed or changed and replacing the numbered parts.

(41) DEALER TO FURNISH PURCHASER WITH BILL OF SALE. Every dealer upon the sale by him to any person or persons of a new motor vehicle shall furnish to such purchaser or purchasers a bill of sale or other suitable evidence

of such sale upon a blank form to be furnished by the registrar of motor vehicles, which shall contain the name of such dealer, the name of the purchaser, the date of the sale, a full description of the motor vehicle, which said description shall contain the manufacturer's number, the motor number and any distinguishing marks, together with any other data which the registrar of motor vehicles may require or deem advisable.

(42) RECORDS TO BE OPENED TO PUBLIC. All records provided for in the foregoing shall be open to inspection during all reasonable business hours, and the registrar of motor vehicles shall furnish the information from said records upon payment by the applicant of the cost of transcribing the information asked for.

(43) FALSE STATEMENTS CONSTITUTE PERJURY. Any person who shall make any false affidavit, or shall knowingly swear or affirm falsely, to any matter or thing required by the terms of this act to be sworn or affirmed to, shall be guilty of perjury, and upon conviction, shall be punishable by a fine and imprisonment as other persons committing perjury are punishable.

Section 15. LICENSE TAXES, GASOLINE DEALERS AND DISTRIBUTORS, SPECIAL FUEL TAX, FUNDS, ALLOCATIONS, AUTHORITY, ADMINISTRATION. The Director shall have the power, and it shall be his duty from time to time to adopt, publish and enforce such rules and regulations not inconsistent herewith as he may deem requisite for the purpose of carrying out the provisions of this section. He may create a division to administer this section, and appoint a deputy to carry out the duties and authority prescribed to the Director under this section, and such other employees and assistants as may be necessary. The Director shall honor such applications,

permits, exemptions, authorizations and other arrangements as may have duly been acted upon by the Board of Equalization under Chapter 18 of Title 84 of the Revised Codes of Montana, 1947 (as amended by Chapter 52, Laws of 1951; Chapter 17, Laws of 1955; Chapter 202, Laws of 1949; Chapter 217, Laws of 1953; Chapter 231, Laws of 1953; Chapter 210, Laws of 1955; Chapter 264, Laws of 1947; Chapter 212, Laws of 1953; Chapter 88, Laws of 1955; Chapter 240, Laws of 1953; Chapter 130, Laws of 1947; Chapter 168, Laws of 1949; Chapter 198, Laws of 1949; Chapter 221, Laws of 1953; Chapter 212, Laws of 1955; and Chapter 162, Laws of 1955), for so long as it shall be just and within the purpose of this section to so honor them. The Board of Equalization shall transfer to the Director its files and records under said Chapter and Title.

(1) DEFINITIONS. As used in this section, the following definitions shall apply:

(1) The word "gasoline" means:

(a) The volatile substance produced from petroleum, natural gas, oil shales or coal heretofore sold under the name of "gasoline," and sold or used for producing motor power for internal combustion engines or for producing power for propelling motor vehicles.

(b) Any other volatile product or substance of not less than forty-six degrees (46°) Taglianbes-Baume test sold or used for producing motor power for internal combustion engines or for producing power for propelling motor vehicles.

(c) Any other volatile substance, of less than forty-six degrees (46°) Taglianbes-Baume test, when actually sold or used to produce motor power to propel motor vehicles upon public highways or streets within the state of Montana;

provided that the lawful tax on the kind of gasoline as defined by this subsection (1-c) shall be collected from the owners or operators of motor vehicles by the state board of equalization under the provisions of rules and regulations issued by said board.

(2) The word "person" means any person, firm, association, joint stock company, syndicate or corporation.

(3) The words "motor vehicle" mean all vehicles operated or propelled upon the public highways or streets of this state, in whole or in part by the combustion of gasoline.

(4) The word "use" shall include and mean the operation of motor vehicles upon the public roads or highways of the state of Montana, or of any political subdivision thereof.

(5) The word "import" shall include and mean to receive into any person's possession or custody first after its arrival and coming to rest at destination within the state of Montana of any gasoline shipped or transported into this state from point of origin without this state.

(6) The word "handle" means to produce, refine, manufacture or compound gasoline for sale or use; or to import gasoline into the state of Montana or to purchase gasoline within the state of Montana for sale or for use, upon which the license tax herein imposed has not been paid.

(7) The word "dealer" means and includes any person who engages in the business in the state of Montana of producing, refining, manufacturing or compounding gasoline for sale or use; or of importing gasoline into the state of Montana or purchasing gasoline within

the state of Montana for sale or use. Sueh gasoline, for the purpose of this act, shall bc deemcd to be "handled" by such dealer.

(8) The words "aviation gasoline" mcan gasoline eompounded for use in and sold for use in aireraft and meeting or exceeding the minimum specifieations prescribed by the United States for use by its military forces in aireraft.

(2) DEALERS' STATEMENTS, AMOUNT OF TAX, AVIATION GASOLINE TAX EXEMPTION CERTIFICATES. (1) Each dealer shall, not later than the twenty-fifth (25th) day of eaeh ealendar month after this act has become effeetive, render a true statement to the Direetor, duly signed and sworn to, of all gasoline handled by him in this state during the preeeding calendar month, and containing sueh other information as the Director may require, and shall aecompany such statement with the payment to the Director of a license tax in an amount cqual to the lawful tax per gallon imposed by section 10 of chapter 39, of the Laws of the Twenty-ninth Legislative Assembly of the state of Montana of 1945, and acts amcndatory, or sueh other lawful tax as may be imposed by law for eaeh gallon of gasoline so handled, and upon which sueh lieense tax was not paid by any other dealer in this state, for engaging in and earrying on sueh business in this state. In making the computation of lieense tax due and in making payment thereof, two per centum (2%) of the amount of sueh tax shall be dedueted by the dealer as an allowanee for evaporation and other loss of gasoline handled by sueh dealer. In addition, a dealer may deduet for eaeh gallon of aviation gasoline sold by him and for whieh he suomits a valid aviation gasoline tax exemption certifieate, an amount equal to the tax per gallon exeept

the portion thereof allocated to the state aviation fund by section 1-501.

Any dealer engaged in or carrying on his business at more than one (1) place or location in this state may include all such places of business in one statement.

(2) Any dealer at an established airport, who purchases aviation gasoline for resale directly to consumers using such gasoline in aircraft, or any consumer who purchases such gasoline in lots of not less than fifty (50) gallons for use in aircraft and not for resale and who purchases from a dealer other than at an established airport, may apply to the Director for a permit to issue aviation gasoline tax exemption certificates. The application for a permit, the permit itself, and any exemption certificates issued pursuant thereto shall all be in such form and shall contain such information as the Director may from time to time require. The Director may require the payment of a fee of not to exceed five dollars ($5.00) for each permit issued and may provide that said permits shall be valid for a period not exceeding five (5) years. No permit shall be transferable. The permit shall be subject to revocation at any time by the Director for any violation of law relating thereto or any false statement made by the holder in connection therewith.

So long as his permit remains unrevoked, the holder thereof shall have the privilege to purchase aviation gasoline from any dealer without the payment of any part of the license tax, imposed by this section, except the part allocated to the state aviation fund, upon surrendering to the seller an aviation gasoline tax exemption certificate certifying, if the holder is a dealer at an established airport, that the gasoline purchased will be

resold only to consumers for use directly in aircraft, and if the holder is a consumer purchasing from a dealer other than at an established airport and the purchase is 50 gallons or more, that the gasoline is purchased for use directly in aircraft and not for resale; and any dealer who sells aviation gasoline either directly to the holder of such a permit and who receives a valid certificate directly from the permit holder covering that sale, or who sells to another dealer who surrenders valid certificates held by him covering prior sales, shall be under no liability or obligation to collect or pay the tax, on the number of gallons covered by such certificates, except the portion thereof allocated to the state aviation funds; but notwithstanding any other provision to the contrary, no tax exemption certificate shall be valid for any purpose nor entitle any dealer to the deduction authorized in subdivision (1) of this subsection unless submitted to the Director prior to the end of the second calendar month immediately succeeding the month in which the sale was made with respect to which such certificate issued.

(3) DELINQUENT PENALTY AND INTEREST. Any such license tax not paid within the time herein provided for shall be delinquent and a penalty of ten per cent (10%) thereof shall be added thereto and the whole thereof shall bear interest at the rate of one per cent (1%) per month from the date of delinquency until paid.

(4) RECORDS TO BE KEPT BY DEALERS. Each dealer shall keep a record in such form as the Director shall require, showing the total number of gallons handled by such dealer within this state, and such other information as the Director may require.

(5) PENALTY FOR FAILURE TO FILE STATEMENTS. Each dealer,

who fails, neglects, or refuses to make and file the statements required by this act in the manner or within the time herein provided, or who shall make any false statement with reference to his said business of handling gasoline, shall be deemed guilty of having committed a misdemeanor and upon conviction thereof shall be fined in any amount not exceeding one thousand dollars ($1,000.00) or imprisonment in the county jail for not to exceed six (6) months, or shall be punished by the imposition of both such fine and imprisonment.

(6) PROCEDURE IN CASE OF FAILURE TO FILE STATEMENT OR PAY TAX, LIEN OF TAX. If any dealer or other person subject to the payment of such license tax shall fail, neglect, or refuse to make any statement required by this act, or shall fail to make payment of such license tax within the time herein provided, the Director shall, immediately after such time has expired, proceed to inform himself as best he may regarding the matters and things required to be set forth in such statement and from such information as he may be able to obtain, to make a statement showing such matters and things and determine and fix the amount of the license tax due the state from such delinquent dealer and shall add thereto a penalty of five per cent (5%) thereof for the first failure, neglect or refusal; ten per cent (10%) for the second; fifteen per cent (15%) for the third; and twenty-five per cent (25%) for the fourth, and each subsequent failure, neglect, and refusal, which shall be in addition to the ten per cent penalty hereinbefore provided for non-payment of such license tax within the time herein provided. Said license tax and the penalties added thereto shall bear interest at the rate of one per cent (1%) per month from the date such statements should have been made and said license tax paid. The state treasurer of the state of

Montana shall then proceed to collect such license tax with penalties and interest. Upon the request of the state treasurer it shall be the duty of the attorney general to commence and prosecute to final determination in any court of competent jurisdiction an action to collect such license tax. All license taxes due from any dealer under the provisions of this act, together with all penalties and interest thereon, shall be lien upon any and all property of such dealer or other person upon the filing by the Director of a duplicate copy of the statement so made by the Director, or a certified copy of any statement filed with said Director in the office of the county clerk of the county where such property is situated, which lien shall have precedence over any other claim, lien or demand thereafter filed or recorded and which may be enforced in the name of the state of Montana in the same manner as other liens are enforced by law. No action shall be maintained to enjoin the collection of such license tax or any part thereof. When the amount due the state is paid in full and before the entry of foreclosure decree, the state treasurer shall release the said lien by filing in the office of the county clerk wherein is filed the said lien, a written release thereof. At any time prior to the payment of said taxes, penalty and interest, before the entry of foreclosure decree, the state treasurer may release from the operation of said lien a part of said property to enable the dealer to mortgage, sell or otherwise dispose of the same in order to procure funds with which to pay said taxes, penalty and interest, provided there remains, in the judgment of the state treasurer, sufficient property subject to said lien to insure the payment of the whole of said unpaid taxes, penalty and interest.

(7) INSPECTION OF RECORDS. The books and records of every dealer shall be open and subject to inspection by the Director or any of his employees or assistants during business hours so far as may be necessary to ascertain the amount of license tax due.

(8) INVOICE OF DEALERS. Each dealer in this state handling any gasoline as defined in this act, shall, at the time of such handling, make out and deliver to the purchaser or consignee thereof an invoice in which shall be stated the number of gallons of gasoline covered by such invoice and that the license tax on same has been paid or will be paid to the treasurer of the state of Montana within fifteen (15) days after the current month, as provided in this act.

(9) EXPORTED GASOLINE NOT INCLUDED IN COMPUTATION OF TAX. No gasoline exported out of tho state of Montana shall be included in the computation of any dealer's license tax herein provided for.

(10) REPORTS OF CARRIERS. Every common carrier, every private carrier and every contract carrier of property, including railroad companies, motor truck lines and all other carriers of property, who shall haul, transport or ship any gasoline from any other state or foreign country into the state of Montana, or from the state of Montana to any other state or foreign country or from any refinery in the state of Montana to another point within the state of Montana, shall, on or before the 15th day of each calendar month, make and file with the Director a statement under oath showing the number of gallons of gasoline contained in each such shipment in interstate commerce and the first movement of such products from any refinery located within the state of Montana to

another point within the state of Montana during the preceding calendar month, the names and addresses of the consignor and consignee, the date of delivery to such consignee.

(11) DISTRIBUTION OF PROCEEDS OF TAX, FUNDS. All money received by the state treasurer in payment of license taxes under the provisions of this act shall be deposited and credited (a) seventy-five per centum (75%) to the state highway fund, and (b) twenty-five per centum (25%) to a special fund designated as "gasoline license drawback fund."

All money so collected and deposited in the gasoline license tax drawback fund shall be used for the purpose of making such refunds and paying such drawbacks as are authorized by law to be made or paid to purchasers of gasoline used in this state for other purposes than the propulsion of motor vehicles over the public highways and streets of this state, provided, however, that at the close of each fiscal year, the state treasurer shall transfer all money remaining unexpended in said gasoline license tax drawback fund to the state highway fund; provided, further, that if at any time the money in said gasoline license tax drawback fund is insufficient in amount to pay duly authorized and approved refunds or drawbacks, the state treasurer shall transfer from the state highway fund a sum or sums sufficient in amount to meet and pay all such outstanding authorized and duly approved refunds or drawbacks.

All money so collected and deposited or transferred to said state highway fund shall be used and expended by this Department, as provided in section 5 of this act, for the administration of the Motor Vehicle Department in all of its functions, which are hereby determined to be proper

administrative expenses and necessary to administer laws under which are derived monies from fees, excises or license taxes relating to registration, operation or use of vehicles on public highways or to fuels used for the propulsion of such vehicles, and by the state highway commission in the construction, reconstruction, betterment, maintenance, administration, dissemination of public information, hereby determined to be a proper administrative expense, and engineering on the federal highway system of highways in this state selected and designated under the provisions of the federal aid act, approved July 11, 1916, and the federal highway act, approved November 9, 1921, and all amendments thereto, and for the purpose of construction, reconstruction, betterment, maintenance, administration dissemination of public information hereby determined to be a proper administrative expense, and engineering of highways leading from each county seat in the state to said federal highway system of federal aid roads where such county seat is not on said system, and for the purpose of construction, reconstruction, betterment, maintenance, administration, dissemination of public information, hereby determined to be a proper administrative expense, and engineering of such other roads as have been or may be authorized by the laws of Montana, for the collection and enforcement of this act; provided, that the total cost to the state of expenditures by said commission for administration, dissemination of public information, hereby determined to be a proper administrative expense, and engineering on the federal aid work contemplated by this act shall not exceed for any fiscal year eight per centum (8%) of the total of state, federal aid and other available funds expended under the supervision of the state highway commission, and said eight per centum (8%) shall be known as the administrative fund. Provided further that the

expenditure for dissemination of public information shall not exceed three and one-half per cent (3½%) not to exceed an annual expenditure of sixty-five thousand dollars ($65,000.00) of the above mentioned administrative fund; provided, however, that said expenditures for the dissemination of public information shall terminate June 30, 1955.

(12) TAX TO BE COLLECTED ON MOTOR FUEL, WHEN. The Director shall, under the provisions of rules and regulations issued by him, collect from the owners or operators of motor vehicles a tax in an amount equal to nine cents (9¢) for each gallon of diesel fuel or other volatile liquid, of less than forty-six degrees (46°) A.P.I. (American Petroleum Institute) gravity test, when actually sold or used to produce motor power to propel motor vehicles upon the public highways or streets within the state of Montana.

(13) DELINQUENCY AS MISDEMEANOR, PENALTY. Any person engaged in the business of handling gasoline as defined in this act, after the license tax imposed by this act, or any part thereof, has been delinquent as provided by this act, or the same has not been paid under protest, shall, in addition to the penalties hereinbefore provided, be deemed guilty of a misdemeanor for each offense, and shall upon conviction thereof, be punished by a fine in any sum not more than five hundred dollars ($500.00) or imprisonment in the county jail for not more than six (6) months, or by both such fine and imprisonment.

(14) DISTRICTS FOR DISTRIBUTION OF STATE HIGHWAY FUND. That for the purpose of apportioning the expenditure for highway construction purposes of the moneys of the state highway funds, including proceeds received from the license tax upon dealers in gasoline and motor fuels provided for by law, the state is hereby divided into the following twelve

districts and the counties in each district are as follows:

District No. 1. Lincoln, Flathead and Lake;

District No. 2. Glacier, Toole, Liberty, Hill and Blaine;

District No. 3. Phillips, Valley, Daniels, Sheridan and Roosevelt;

District No. 4. McCone, Richland, Dawson, Prairie and Wibaux;

District No. 5. Fergus, Garfield and Petroleum;

District No. 6. Pondera, Teton, Chouteau, Cascade and Judith Basin;

District No. 7. Lewis and Clark, Jefferson and Broadwater;

District No. 8. Sanders, Mineral, Missoula, Ravalli, Granite and Powell;

District No. 9. Beaverhead, Deer Lodge, Silver Bow and Madison;

District No. 10. Park, Gallatin, Sweet Grass, Meagher and Wheatland;

District No. 11. Golden Valley, Musselshell, Stillwater, Yellowstone, Carbon, Big Horn and Treasure;

District No. 12. Rosebud, Custer, Fallon, Powder River and Carter.

(15) USE OF STATE HIGHWAY FUND ON FEDERAL HIGHWAY SYSTEM. All moneys of the state highway fund, including moneys arising from the license tax upon dealers in gasoline and motor fuels but excluding moneys being held in such fund for refund or drawback purposes and expense of collection and enforcement, shall be used and expended by the Department of Motor Vehicles, as provided in section 5 of this act, for the administration of the Motor Vehicle Department in all of its functions, which are hereby determined to be proper administrative expenses and necessary to administer laws under which are derived moneys from fees, excises or license taxes

relating to registration, operation or use of vehicles on public highways or to fuels used for the propulsion of such vehicles, and by the state highway commission in the construction, reconstruction, betterment, maintenance, administration, dissemination of public information, hereby determined to be a proper administrative expense, and engineering on the federal highway system of highways in this state selected and designated under the provision of the federal aid act, approved July 11, 1916, and the Federal highway act approved November 9, 1921, and all amendments thereto, and for the purpose of construction, reconstruction, betterment, maintenance, administration, dissemination of public information, hereby determined to be a proper administrative expense, and engineering of highways leading from each county seat in the state to said federal highway system of federal aid roads where such county seat is not on said system, and for the purpose of construction, reconstruction, betterment, maintenance, administration, dissemination of public information, hereby determined to be a proper administrative expense, and engineering of such other roads as have been or may be authorized by the laws of Montana. Provided, that the total net costs to the state of expenditures by said commission for administration on the federal aid work contemplated by this act shall not exceed for any fiscal year eight per cent (8%) of the total of state, federal aid and other available funds expended under the supervision of the state highway commission, and said eight per cent (8%) shall be known as the administrative fund. Provided further that the expenditure for dissemination of public information shall not exceed an annual expenditure of sixty-five thousand dollars ($65,000.00). It shall be the duty of the state highway commission, in expending such money, to carry forward construction from year to year, using the money expended through

the matching up of federal aid allotments to Montana upon the said federal highway system of highways in the various parts of the state in accordance with the provisions of subsection 16 hereof; provided that nothing in this act shall be construed to conflict with said federal aid highway acts and the rules by which they are administered. The state highway commission is authorized to enter into co-operative agreements with the national park service and bureau of public roads for the purpose of maintaining national park approach roads in Montana.

(16) DISTRIBUTION OF STATE HIGHWAY CONSTRUCTION FUNDS. (1) Allotment of state construction funds for federal aid highway systems.

At the start of the fiscal year beginning July 1, 1953, and at the beginning of each fiscal year thereafter, the state highway commission shall allot available state construction moneys to the federal aid primary highway system, the federal aid secondary highway system and the federal aid urban highway system in proportion to the amounts necessary to match the respective amounts of federal aid apportioned to these systems.

(2) Apportionment of state construction moneys to the federal aid primary highway system.

At the start of the fiscal year beginning July 1, 1953, and at the beginning of each fiscal year thereafter, the state highway commission shall compute from its records the percentage of incompleted mileage of the federal aid primary highway system within each of said districts which each district respectively bears to the total incompleted mileage of said federal aid primary highway system within this state at that time, and the actual respective percentages of incompleted mileage in each district as so computed and determined at the beginning of each fiscal year shall be used in apportioning construction moneys for that year to each

of the said financial districts from the state highway fund as defined and provided by subsection (15) hereof. As a basis for the determination of the amount of incompleted mileage of said federal aid primary highway system in this state for each fiscal year, the state highway commission shall adopt as the criterion the current definition, as prescribed by the bureau of public roads, for a fully and adequately completed federal highway in this state. This criterion shall be considered as a one hundred per cent (100%) completed federal highway; and federal highway mileage which is only partially completed under the application of this criterion, shall be considered as only partially completed on a percentage basis, this to be determined from the relative estimated percentage costs of construction already performed and of additional construction which must be performed to bring said mileage up to the standard of said criterion.

(3) Apportionment of state construction moneys to the federal aid secondary highway system.

At the start of the fiscal year beginning July 1, 1953, and at the beginning of each fiscal year thereafter, state construction moneys for the federal aid secondary highway system shall be apportioned to each of the financial districts as defined in subsection (14) hereof on a percentage basis as determined in the following manner: One-fourth (¼) in the ratio of land area in each financial district to the total land area in the state; one-fourth (¼) in the ratio of the rural population in each financial district to the total rural population in the state; one-fourth (¼) in the ratio of the rural road mileage in each financial district to the total rural road mileage in the state; one-fourth (¼) in the ratio of value of rural lands in each financial district to the total value of rural land in the state. Said moneys to be further apportioned

to the counties within each financial district in the same ratio of land area, rural population and rural road mileage; and value of rural lands, provided, that to the extent necessary to permit orderly programming and construction of projects, expenditure of construction money in any county may exceed the amount apportioned to that county with the provision that such excess expenditure shall not exceed three (3) times the amount of the last annual apportionment to that county and that any excess expenditures shall be deducted from future apportionments to that county.

For the purposes of this section, rural population is defined as total population less the population in cities over five thousand (5,000) persons and their unincorporated fringe urban areas as reported in the federal census. Decennial census figures for population shall be adjusted during the interim between censuses in accordance with the percentage of change occurring in annual motor vehicle registration figures for each county.

For the purpose of this section, rural road mileage is defined as all road mileage outside incorporated cities, exclusive of road mileage on the federal aid rural primary highway system. Rural road mileage figures reported by the road inventory of the state highway commission shall be used in determining rural road mileage as defined in this section.

(4) Apportionment of state construction moneys to the federal aid urban highway system.

At the start of the fiscal year beginning July 1, 1953, and at the beginning of each fiscal year thereafter, state construction moneys for the federal aid urban highway system shall be apportioned to the cities in the state over five thousand (5,000) population in the ratio of urban population in each city to the total urban population in the state for all

cities over five thousand (5,000) population.

For the purpose of this section, urban population is defined as population within the incorporated limits of cities over five thousand (5,000) population and also the population within unincorporated urban fringe areas as delineated and reported in the federal census.

To the extent necessary to permit orderly programming and construction of projects, expenditures of construction of projects, expenditures of construction money in any urban city may exceed the amount apportioned to that city with the provision that such excess expenditure shall be deducted from future apportionments to that city.

(5) The state highway commission may vary the expenditures made in any financial district under the provisions of this act to the extent of fifteen per cent (15%) above the amount of money allocated to such district in any year, provided that the allocation of construction money to such district for the next succeeding fiscal year shall be decreased by an amount equal to such increased expenditures.

(17) REFUND OF GASOLINE LICENSE TAX, PROCEDURE.

(1) Any person who shall purchase and use any gasoline, with reference to which there has been paid into the treasury of the state of Montana, under the laws of this state licensing dealers in gasoline, a state gallonage tax, for the purpose of operating or propelling stationary gas engines, tractors used for purposes other than on the public highways or streets of this state, motor boats, aeroplanes or aircraft, or for cleaning or dyeing, or for any commercial use other than propelling vehicles upon any of the public highways or streets of this state, and who has paid said tax either directly to the state of Montana or indirectly as a part of the purchase price of said gasoline, shall be allowed and paid as a refund or draw-

back an amount of money equal to the unit state gallonage tax, multiplied by the number of gallons of gasoline so purchased and used, provided that counties, incorporated cities, towns and school districts of this state shall be entitled to said refund or drawback of said tax by any such county, city, town or school district upon gasoline used by it in the performance of any of its governmental and proprietary functions, or either, imposed or authorized by law, including construction, maintenance and repair of all roads, highways and public places within the county limits and all streets, avenues, alleys and other public places within the corporate limits of such city or town; provided, that such refund or drawback shall in no instance exceed the total amount of the tax paid or to be paid, to the state of Montana, upon presenting to the Director within the time allowed by law, a written statement accompanied by the invoice or invoices issued to the claimant at the time of purchase and delivery of such gasoline showing such purchase and use, which statement shall set forth in words and figures, the total amount of the gasoline so purchased, and the purpose for which the same was actually used, the amount of the tax and such additional information as may be required by said board on forms to be furnished by them; each separate delivery shall constitute a purchase for the purpose hereof.

(2) All such applications for refunds or drawbacks shall be filed with the Director within eight (8) months after the date on which such gasoline was purchased as shown by such invoices. The said Director shall have one hundred twenty (120) days thereafter within which to make such investigation as it may desire, to ascertain the truths of the statements made. If the statement is found to be correct and is approved by said Director and the state board of examiners, the state

auditor shall draw his warrant upon the state treasurer for the amount of such claim and same shall be paid out of the gasoline license tax drawback fund in the same manner as other claims against the state are paid. Such refund or drawbacks shall be made only to, and on the application of, the actual purchaser and user of the gasoline upon which refund is claimed and the burden of establishing the validity of the claim rests upon the claimant.

(3) Should the Director, after investigation, find that the statement so made by said consumer contains errors which, in the opinion of the Director were not inserted for the purpose of fraud, he may correct the statement and approve the same as corrected whereupon warrant shall issue, after approval by the state board of examiners, as above provided, or the Director may, in his discretion, require the claimant to file an amended statement before action is taken thereon. If, upon investigation, it shall be determined by the Director that any claim has been fraudulently presented or is supported, as to any item therein by invoice or invoices fraudulently made or altered in any manner, or that any statement in the claim contained or the affidavit thereto, is wilfully false in any particular and so made for the purpose of misleading said Director, he may reject such claim in toto.

(4) Any person desiring to claim refund on gasoline purchased shall obtain from the Director a permit by application therefor, on such form as the Director shall prescribe, which application shall be made under oath and shall contain, among other things, the name, address and occupation of the applicant, the nature of the business, and a sufficient description for identification of the machines or equipment in which the taxable motor fuel is to be used for which refund may be claimed under such permit.

(5) Each permit issued shall bear a permit number and

each claim filed shall bear the permit number of the claimant. It shall be the duty of the Director to keep a record of all permits issued and a cumulative record of refund claimed and paid thereunder.

A fee of one dollar ($1.00) shall be collected from each person to whom a refund permit is issued after July 1, 1953. No refund shall be paid to any person after July 1, 1953, unless said person has first secured a refund permit and paid said fee. The refund permit must be renewed and the license fee paid every five years from the date of issuance.

(6) Whenever a claim shall be rejected, as herein provided, the Director may suspend the claimant's permit, for a period not exceeding one year, and no claim shall thereafter be approved or allowed for refund on any gasoline purchased by such claimant during such period of suspension.

(7) All of the subdivisions of the state mentioned herein shall be subject to all of the conditions, rules and regulations applicable to individuals and as such subdivisions can act only by their officers and agents in presenting claims for refund they shall be responsible for and bound by the acts and declarations of such officers and agents.

(8) When gasoline is sold and delivered to a person who shall claim to be entitled to a refund with respect to the tax imposed, the seller of such gasoline shall make and deliver at the time of such sale and delivery separate invoices for each purchase on invoice forms approved by the Director showing the name and address of the seller and the name and address of the purchaser, the number of gallons of gasoline so sold in words and figures and the date of such purchase, and whether an aviation gasoline tax exemption certificate has been issued with respect to such sale, which invoice, attached to the claim presented shall be the only proof upon which a legal claim can

be made for a refund based upon such purchase, and no refund shall be allowed on any sale with respect to which an aviation gasoline tax exemption certificate has been issued; provided, however, that in case the separate invoice delivered to the purchaser at the time of sale be either lost or destroyed he may make claim to the Director for such refund, supporting the same by affidavit reciting the circumstances of such loss or destruction and produce such other evidence as may be required by the Director including an actual duplicate carbon copy of the original invoice or invoices. If the Director be satisfied as to the sufficiency of the claim and supporting evidence, proper refund shall be made six (6) months thereafter. Except where surrendered to the purchaser for such purpose, the seller shall retain the duplicate original invoices for the period of one year from and after the date of issuance, during which period they shall be open to inspection by the Director. Such invoices shall be legibly written and shall be void if any corrections or erasures appear on the face thereof. The seller shall, in filling out invoices, use double-faced carbons.

(9) Upon the effective date of this act, each seller of such gasoline upon which a refund may be claimed by the purchaser, shall obtain a permit from the Director to sell such gasoline upon application therefor to the Director, upon such form as the Director shall prescribe, which application shall be made under oath and shall contain among other things, the name and address of the applicant, the place or places of his or its business within the state of Montana. Such permit issued shall bear a permit number and the date of issuance. It shall be the duty of the Director to keep a record of all such permits issued to sellers, and the suspension or cancellation or any thereof. Such permits shall be issued for the calendar year upon payment of a fee of one dollar ($1.00). Such permit must be renewed

annually on or before the first day of January, 1956, and each year thereafter, upon such application and fee paid. After the effective date of this act, it shall be unlawful for any person, firm, corporation or association to sell such gasoline upon which a refund may be claimed without a valid permit therefor. If any such person, firm, corporation or association shall sell any such gasoline without being the holder of a valid permit therefor, he shall be punished by a fine of not less than twenty-five dollars ($25.00), or more than two hundred dollars ($200.00), or be imprisoned in the county jail for a period of not less than ten days (10) nor more than sixty (60) days, or by both such fine and imprisonment.

(18) PENALTY FOR FALSE STATEMENTS, UNLAWFULLY OBTAINING REFUNDS, OR UNLAWFUL USE OF AVIATION GASOLINE TAX EXEMPTION CERTIFICATES.

Any person

(a) who shall make any false statement in connection with the application for such refund or who shall collect or cause to be repaid to him, or to any other person, any such refund without being entitled to the same under the provisions of this act, or

(b) who shall make any false statement in any application for a permit to issue aviation gasoline tax exemption certificates or in any such certificate issued by him, or who shall use any aviation gasoline for which such a certificate has been issued otherwise than in aircraft, or who shall collect that part of the tax, not allocated to the state aviation fund, in connection with a sale covered by a valid certificate shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not to exceed the sum of one thousand dollars ($1,000.00) or by imprisonment in the county jail for not more than six (6) months, or by both such fine and imprisonment.

(19) LICENSE AND BOND OF GASOLINE DEALERS AND DISTRIBUTORS. Any gasoline dealer engaged in the business in the state of Montana of producing, refining, manufacturing, compounding or importing into this state gasoline for sale, or purchasing gasoline within this state in quantities of not less than railway tank car lots, when this act becomes effective shall, within thirty (30) days thereafter, and any other such dealer prior to the commencement of doing business, shall file an application for a license with the Director on a form prescribed and furnished by said Director setting forth therein such information as may be required by said Director. Each gasoline dealer shall at the same time file a corporate surety bond or such collateral security or indemnity as may be deemed sufficient by the Director, but in no case more than estimated amount of gasoline taxes for two successive months to the effect that said gasoline dealer will pay to the state of Montana all gasoline license taxes, together with penalties and interest, required by law. Upon approval of such application, the Director shall issue to the gasoline dealer a non-assignable license with a duplicate copy for each place of business of said gasoline dealer in this state, which license shall continue in force until surrendered or cancelled.

No gasoline dealer shall, after thirty (30) days from the effective date of this act, sell, or offer for sale, any gasoline within this state until such license is issued; nor shall any gasoline dealer engage in such business, subsequent to the passage of this act, without first procuring such license.

(20) REVOCATION OF LICENSE ON FAILURE TO FILE STATEMENTS OR PAY TAX. The Director is hereby authorized to revoke any license issued under this act immediately upon the failure of any gasoline dealer to make reports or pay the license tax required by law.

(21) VIOLATION OF ACT A MISDEMEANOR. Any gasoline dealer failing to comply with, or violating any of the provisions of this act shall be guilty of a misdemeanor.

(22) DEFINITION OF "GASOLINE DEALER." As used in this act the term "gasoline dealer" means and includes every person, firm, association, joint-stock company, syndicate and corporation engaged in the business in the state of Montana of producing, refining, compounding or importing into this state gasoline for sale, or purchasing gasoline within this state in quantities of not less than railway tank car lots.

(23) TITLE. The subsections of this section which follow this subsection may be cited as the "Special Fuel Tax Act."

(24) DEFINITIONS. As used in ths Special Fuel Tax Act, the following definitions shall apply:

(a) "Person" means and includes any person, firm, association, joint stock company, syndicate, copartnership, or corporation. Whenever used in any clause prescribing and imposing a fine or imprisonment or both, as applied to a firm, association, syndicate, or copartnership, means and includes the partners or members thereof, and as applied to joint stock companies and corporations, the officers thereof.

(b)"Director" means the Director of the Department of Motor Vehicles of the State of Montana.

(c) "Highway" means every way or place generally open to the use of the public for the purpose of vehicular travel, notwithstanding that they may be temporarily closed or travel thereon restricted for the purpose of construction, maintenance, repair or reconstruction.

(d) "Motor Vehicle" means any vehicle which is self-propelled upon the highways.

(e) "Special fuel" means and includes all combustible gases and liquids, including liquid petroleum gases, suitable for

the generation of power for propulsion of motor vehicles, except that it does not include motor fuel as defined in subdivision (1)(a) of subsection (1) hereof.

(f) "Use" means either the receipt, delivery or placing of special fuels by a special fuel dealer into the fuel supply tank or tanks of any motor vehicle not owned or controlled by him, while such vehicle is within this state, or the consumption by a special fuel user of special fuels in propulsion of a motor vehicle on the highways of this state.

(g) "Special fuel dealer" means any person in the business of handling special fuel who delivers any part thereof into the fuel supply tank or tanks of a motor vehicle not then owned or controlled by him. For this purpose the term "fuel supply tank or tanks"does not include cargo tanks even though fuel is withdrawn directly therefrom for propulsion of the vehicle.

"h" "Special fuel user" means any person who consumes in this state special fuel for the propulsion of motor vehicles owned or controlled by him upon the highways of this state.

(i) "Bond" means: (1) a bond duly executed by such special fuel dealer or special fuel user as principal with a corporate surety qualified under the laws of Montana, which bond shall be payable to the state of Montana conditioned upon faithful performance of all requirements of this act, including the payment of all taxes, penalties and other obligations of such special fuel dealer or special fuel user arising out of this act; or (2) a deposit with the state treasurer by the special fuel dealer or special fuel user under such terms and conditions as the board may prescribe of a like amount of lawful money of the United States or bonds or other obligations of the United States or the state of Montana or of any county thereof, of an actual market value not less than the amount so fixed by the Director.

(25) TAX IMPOSED. There is hereby levied and imposed a tax on the use of each and every gallon of special fuel in any motor vehicle while operated upon the highways equivalent to the lawful tax levied on motor fuel under subsection (12) hereof, or an liquid petroleum gases under subsection (2) hereof. Said tax, with respect to all special fuel delivered by a special fuel dealer into supply tanks of motor vehicles in this state, shall attach at the time of such delivery and shall be collected by such special fuel dealer from the special fuel user and shall be paid over to the Director as hereinafter provided. Said tax, with respect to special fuel acquired by any special fuel user in any manner other than by delivery by a special fuel dealer into a fuel supply tank of a motor vehicle, shall attach at the time of the consumption of such fuel in the propulsion of a motor vehicle upon the highways of the state and shall be paid over to the Director by the special fuel user as hereinafter provided.

(26) SPECIAL FUEL DEALERS' AND SPECIAL FUEL USERS' LICENSES AND SPECIAL FUEL VEHICLE PERMITS. (a) Required: It shall be unlawful for any person to act as a special fuel dealer in this state unless such person is the holder of an uncancelled fuel dealers' license issued to him by the Director. Except for special fuel which is delivered by a special fuel dealer into a fuel supply tank of any motor vehicle in this state, it shall be unlawful for any person to consume special fuel for the propulsion of a motor vehicle upon the highways of this state unless such person is the holder of an uncancelled fuel user's license issued to him by the Director.

Every special fuel user shall obtain prior to the use of special fuel for the propulsion of a motor vehicle or vehicles in this state, a special fuel vehicle permit for such vehicle or vehicles operated by him upon the highways as herein defined.

(b) Application: Application for a special fuel dealer's license, a special fuel user's license, or a special fuel vehicle permit shall be made to the Director.

(c) Form of application: The application shall be filed upon a form prepared and furnished by the Director. The application shall contain such information as the Director deems necessary.

(d) Bond: No special fuel dealer's license or special fuel user's license shall be issued to any person or contained in force unless such person has furnished bond, as defined in subsection (24)i and in such form as the Director may require to secure its compliance with this act, and the payment of any and all taxes, interest and penalties due and to become due hereunder.

The total amount of the bond or bonds required of any special fuel dealer or special fuel user shall be equivalent to twice his estimated monthly tax payments as hereinafter provided, determined in such manner as said Director may deem proper; provided, however, that the total amount of the bond or bonds shall never be less than five hundred dollars ($500.00)

(e) Issuance: Upon receipt of the application and bond in proper form, the Director shall issue to the applicant a license to act as a special fuel dealer or special fuel user or a special fuel vehicle permit; provided, however, the Director may refuse to issue a special fuel dealer's license, a special fuel user's license or a special fuel vehicle permit to any person: (1) who formerly held either type of license or permit which, prior to the time of filing application has been revoked for cause; or (2) who is not the real party in interest and where the license or permit of the real party in interest has been revoked for cause prior to the time of filing such application; or (3) upon other sufficient cause being shown.

Before such refusal, the Dircctor shall grant the applicant a hearing and shall grant him at least ten (10) days' written notice of the time and place thereof.

(f) Expiration of license or permit: Each special fuel dealer's license, special fuel uscr's licensc and special fuel vehicle permit shall bc valid until suspended or revoked for cause or otherwise cancelled.

(g) Assignment forbidden: No special fuel dealer's license, special fuel user's license or special fucl vehicle permit shall bc transferable.

(h) Revocation, cancellation and surrender of licensc, permit and bond: The Director may rcvoke the license of any special fuel dealer or spccial fuel uscr or a spccial fuel vchicle permit for reasonable cause. Before revoking such license or permit, the Director shall notify the liccnsee or permittee to show cause within thirty (30) days of thc date of the notice why the licensc or permit should not be revoked; provided, however, that at any time prior to and pending such hearing the Director may, in the exercise of reasonable discretion, suspend such license or pcrmit.

The Director shall cancel any license to act as a special fuel dealer or a special fuel user or any special fuel vehiclc permit immediately upon surrender thereof by the holder.

(i) Release of surety: Any surety on a bond furnished by a special fuel dealer or special fuel user as provided herein shall be released and discharged from any and all liability to the state accruing on such bond after the expiration of thirty (30) days from the date upon which such surety shall have lodged with the Director a written request to be released and discharged, but this provision shall not operate to relieve, release, or discharge the surety from any liability already accrued or which s shall accrue before the expiration of the thirty (30) day period.

The Director shall promptly upon receiving any such request, notify the special fuel dealer or special fuel user who furnished the bond, and unless the special fuel dealer or special fuel user shall, on or before the expiration of the thirty (30) day period, file a new bond, in accordance with the requirements of this section or make a deposit in lieu thereof as provided in subsection (24)(i) the Director forthwith shall cancel the special fuel dealer's or special fuel user's license.

(j) Additional bond or deposit: The Director may require a special fuel dealer or special fuel user to give a new or additional surety bond or to deposit additional securities of the character specified in subsection (24)(i) if, in his opinion, the security of the surety bond therefor filed by such special fuel dealer or special fuel user, or the market value of the properties deposited as security by such special fuel dealer or special fuel user, shall become impaired or inadequate; and upon failure of the special fuel dealer or special fuel user to give such new additional surety bond or to deposit additional securities within thirty (30) days after being requested so to do by the Dircctor, the Director forthwith shall cancel his license.

(27) SPECIAL FUEL DEALERS' AND SPECIAL FUEL USERS' RECORDS. (a) Preparation of records: Every special fuel dealer, special fuel user and every person importing, manufacturing, refining, dealing in, transporting or storing, special fuel in this state shall keep such records, receipts and invoices and other pertinent papers, with respect thereto as the Director may require. The records, receipts, invoices, and other pertinent papers shall be available at all times during the business hours of the day, to the Director.

(b) Retention of records: Said records, receipts, invoices and other pertinent papers shall be required to be kept for

a period of at least five (5) years from the date of which the return to which they relate was required to have been made.

(28) MONTHLY RETURNS AND PAYMENTS. (a) Returns: For the purpose of determining the amount of his liability for the tax herein imposed, each special fuel dealer and each special fuel user shall file with the Director on forms prescribed by said Director, a monthly tax return. Such return shall contain a declaration by the person making the same, to the effect that the statement contained are true and are made under penalties of perjury, which declaration shall have the same force and effect as a verification. The return shall show such information as the Director may reasonably require for the proper administration and enforcement of this act; provided, however, that if a special fuel dealer or user is also a wholesale distributor of special fuel at a location where special fuel is delivered into the supply tank of a motor vehicle, and if separate storage is provided thereat from which special fuel is delivered or placed into fuel supply tanks of motor vehicles, the monthly return to the Director need not include inventory control data covering bulk storage from which wholesale distribution of special fuel is made. The special fuel dealer or special fuel user shall file the return on or before the twenty-fifth day of the next succeeding calendar month following the monthly period to which it relates; provided, however, that for good cause the Director may grant a taxpayer a reasonable extension of time for filing, but not to exceed thirty (30) days.

If the final filing date falls on a Saturday, Sunday or legal holiday, the next secular or business day shall be the final filing date. Such reports shall be considered filed or received on the date shown as received by the Director.

(b) Computation: The tax imposed by this act shall be

computed as follows: (1) with respect to special fuel used by the seller thereof as a spccial fuel dealer, by multiplying the tax rate per gallon providcd in this act by the number of gallons of special fuel dclivered or placed by him into the supply tank or tanks of a motor vehicle, (2) with respect to special fuel as to which the tax has not been paid to a special fuel dealer in this state and which has been consumed by the purchaser thereof as a special fuel user, by multiplying the tax rate per gallon provided in this act by thc number of gallons of special fuel consumed by him in the propulsion of motor vehicles on the highways of this state.

(c) Payments: The monthly tax return shall be accompanied by remittance covering the tax due hereunder on account of the use as defined in subsection (24) (f) hereof of special fuels during the preceding month.

(d) Refusal or failure to file return or pay tax when due: In case of any special fuel dealer or special fuel user who refuses or fails to file a return required by this act within the time prescribed by subdivision (a) of this subsection, there is hereby imposed a penalty of one hundred dollars ($100.00) or a sum equal to twenty-five per cent (25%) of the tax due, whichever is greater, together with interest at the rate of one percent (1%) on the tax due, for each calendar month or fraction thereof during which such refusal or failure continues; provided, however, that if any such special fuel dealer or special fuel user shall establish to the satisfaction of the Director that his failure to file a return within the time prescribed was due to reasonable cause, the Dircctor shall waive the penalty provided by this subdivision of this subsection.

(e) Failure to pay tax: Where a special fuel dealer or a special fuel uscr files a return, but fails to pay in whole or

in part the tax due hereunder, there shall be added to the amount due and unpaid, interest at the rate of one per cent (1%) per month or fraction thereof, from the date such tax was due to the date of payment in full thereof.

(f) Deficiency: If it be determined by the Director that the tax reported by any special fuel dealer or special fuel user is deficient, he shall proceed to assess the deficiency on the basis of information available to him and there shall be added to this deficiency interest at the rate of one per cent (1%) per month or fraction thereof from the date the return was due.

(g) Determination if no return made: If any special fuel dealer or special fuel user, whether or not he is licensed as such, fails, neglects, or refuses to file a special fuel tax return, when due the Director shall, on the basis of information available, to him, determine the tax liability of the special fuel dealer or special fuel user for the period during which no return was filed, and to the tax as thus determined, the Director shall add the penalty and interest provided in subdivision (d) above..

An assessment made by the Director pursuant to this subsection or to subdivision (f) of this subsection shall be presumed to be correct, and in any case where the validity of the assessment is drawn in question, the burden shall be on the person who challenges the assessment to establish by a fair preponderance of the evidence that it is erroneous or excessive as the case may be.

(h) Fraudulent return: If any special fuel dealer or special fuel user shall file a false or fraudulent return with intent to evade the tax imposed by this act, there shall be added to the amount of deficiency determined by the Director a penalty equal to twenty-five per cent (25%) of the deficiency

together with interest at one per cent (1%) per month, or fraction thereof, on such deficiency from the date such tax was due to the date of payment in addition to all other penalties prescribed by law.

(i) Limitation: Except in the case of a fraudulent return or of neglect, or refusal to make a return, every deficiency shall be assessed under subdivision (f) above within five (5) years after the twenty-fifth day of the next succeeding calendar month following the monthly period for which the amount is proposed to be determined or within five (5) years after the return is filed, whichever period expires the later.

(29) CREDITS. Any person who has paid a special fuel tax either directly or to the vendor from whom it was purchased, shall receive credit in the amount of any tax paid on special fuel exported for use outside of this state. Special fuel carried from this state in the fuel tank of a motor vehicle is deemed to be exported from this state.

(30) PROCEDURES FOR CREDITS. Any amount determined to be creditable by the Director under subsection (29) shall first be credited on any amounts then due and payable from the special fuel dealer or special fuel user to whom the refund is due, and the Director shall then certify the balance to the credit of the dealer or user.

(31) ADMINISTRATION. (a) Rules and regulations: The Director shall enforce the provisions of this act, and may prescribe, adopt and enforce reasonable rules and regulations relating to the administration and enforcement thereof.

(b) Examination of records: The Director or his authorized representative is hereby empowered to examine the books, papers, records and equipment of any special fuel dealer or special fuel user or any person dealing in, transporting, or

storing special fuel as defined in this act and to investigate the character of the disposition which any person makes of such special fuel in order to ascertain and determine whether all excise taxes due hereunder are being properly reported and paid. If such books,papers, records and equipment are not maintained in this state at the time of demand, they shall be furnished to the Director for review or such dealer or user shall bear the reasonable cost of examination by an agent authorized or designated by the Director at the place where such books or records are kept provided the taxpayer shall not be liable for such costs for a period exceeding one (1) week or for such longer period as he may consent to in writing, unless the result of said examination is the payment of a tax deficiency.

(c) Evidence: For the purpose of enforcing the provisions of this act, the fact that a special fuel dealer or a special fuel user has placed or received special fuel into storage or dispensing equipment designed to fuel motor vehicles shall be prima facie evidence that all of such special fuel has been delivered by the special fuel dealer or special fuel user into the fuel supply tanks of motor vehicles and consumed in the propulsion of motor vehicles upon the highways as herein defined unless the contrary shall be established by satisfactory evidence.

(d) Reciprocal exchange of data: The Director shall, upon request from officials to whom are entrusted the enforcement of the special fuel tax law of any other state, the District of Columbia, the United States, its territories and possessions, the provinces of the Dominion of Canada, forward to such officials any information which he may have relative to the receipt, storage, delivery, sale, use or other disposition of special fuel by any special fuel dealer or special fuel user, provided such other state or states furnish like information to this state.

(32) VIOLATIONS AND PENALTIES. (a) Acts forbidden: It shall be unlawful for any person:

(1) Refuse, or knowingly and intentionally fail to make and file any statement required by this act in the manner or within the time required;

(2) Knowingly and with intent to evade or to aid in the evasion of the tax imposed herein to make any false statcment or conceal any material fact in any record, return, or affidavit provided for in this aet;

(3) Conduet any aetivities requiring a license under this act without a license or after a lieense has becn surrendered, cancelled or revoked;

(4) Fail to kcep and maintain the books and records required by this aet.

(b) Penalties and remedies: Any person violating any provision of this section is guilty of a misdemeanor, unless the aet is by any other law of this state dcelared to be a felony, and upon eonvietion is punishable by a fine of not less than one hundred dollars ($100.00) nor more than two thousand dollars ($2,000.00), or by imprisonment for not less than thirty (30) days nor more than six (6) months, or by both such fine and imprisonment.

(c) Penalties are eumulative: The fine and imprisonment provided for in this seetion shall be in addition to any other penalty imposed by any other provision of this act.

(33) DISPOSITION OF FUNDS. All taxes, interest and penalties colleeted under subsections 23 through 34 of this section of this aet shall be turned over promptly to the state treasurer and the state treasurer shall plaee the same to the ercdit of the state highway fund.

(34) JUDICIAL REVIEW AND APPEALS. Any determination of the Dircctor hereunder may be reviewed by thc distriet court

of Lewis and Clark county, and an appeal may be taken from the judgment of said district court to the supreme court.

Section 16. RULES, REGULATIONS, AND OBLIGATIONS UNDER PREDECESSOR AGENCIES CONTINUED. Notwithstanding the transfer of duties, functions and powers by this act, the lawfully adopted rules and regulations of the State Highway Patrol Board, the Montana Highway Patrolmen's Retirement Board, the Supervisor of the Highway Patrol, the Registrar of Motor Vehicles and the State Board of Equalization, in effect on June 30, 1957, and relating to duties, functions and powers taken over from such agencies by this act, shall continue in force and effect and be applicable until superseded by, or repealed by, rules and regulations adopted by the Director. Any references in such rules and regulations of such prior agencies to the agency adopting any such rule or regulation, shall be deemed to be references to the Department of Motor Vehicles.

Nothing in this act shall relieve any person of any obligation with respect to any tax, fee, fine or other charge, interest, penalty, forfeiture or any other liability, duty or obligation accruing under, or with respect to, the duties, functions and powers taken over from said prior agencies under this act; but after June 30, 1957, the Department of Motor Vehicles may undertake collection or enforcement of any such matters, substituted in the place of any such prior agency.

Section 17. TIME OF TAKING EFFECT; REPEAL. This act shall be in full force and effect on and after the first day of July, 1957. Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 16, 17 and 18 of this act shall go into effect immediately.

The following laws are hereby repealed as of June 30, 1957: Chapter 1 of Title 31, Revised Codes of Montana, 1947, as amended or added to by Section 1, Chapter 187, Laws of 1951; Section 1, Chapter 219, Laws of 1953; Section 1, Chapter 94,

Laws of 1949; Section 1, Chapter 118, Laws of 1949; Sections 1 through 22, inclusive, and Sections 24 through 46, inclusive, Chapter 267, Laws of 1947; Section 1, Chapter 141, Laws of 1951; Section 1, Chapter 37, Laws of 1951; Sections 1 and 2, Chapter 135, Laws of 1951; Section 1, Chapter 130, Laws of 1953; Section 1, Chapter 36, Laws of 1953; Section 1, Chapter 31, Laws of 1955; Section 1, Chapter 187, Laws of 1951; Section 1, Chapter 268, Laws of 1955; Section 158, Chapter 263, Laws of 1955; Section 1, Chapter 95, Laws of 1955; and Section 1, Chapter 60, Laws of 1955; Chapter 2 of Title 31, Revised Codes of Montana, 1947 , as amended or added to by Section 1, Chapter 158, Laws of 1949; Section 1, Chapter 176, Laws of 1953; Sections 1 and 2, Chapter 109, Laws of 1947, and Sections 1 through 14, inclusive, Chapter 243, Laws of 1955; Chapter 1 of Title 53, Revised Codes of Montana, 1947, as amended or added to by Sections 1 and 2, Chapter 62, Laws of 1943; Sections 1 and 2, Chapter 88, Laws of 1943; Section 1, Chapter 111, Laws of 1951; Section 1, Chapter 29, Laws of 1953; Section 1, Chapter 115, Laws of 1953; Section 1, Chapter 96, Laws of 1953; Sections 1, 2, and 3, Chapter 195, Laws of 1953; Section 1, Chapter 221, Laws of 1951; Section 1, Chapter 215, Laws of 1953; Section 1, Chapter 296, Laws of 1947; Section 1, Chapter 199, Laws of 1947; Section 1, Chapter 221, Laws of 1947; Section 1, Chapter 245, Laws of 1955; Section 1, Chapter 123, Laws of 1955; Section 1, Chapter 200, Laws of 1955; Section 1, Chapter 244, Laws of 1955; Section 1, Chapter 256, Laws of 1955; Section 1, Chapter 199, Laws of 1955; Section 2, Chapter 245, Laws of 1955; Sections 1 and 2, Chapter 182, Laws of 1955; Section 1, Chapter 47, Laws of 1955; Section 1, Chapter 41, Laws of 1955; and Section 1, Chapter 143, Laws of 1955; and Chapter 18 of Title 84, Revised Codes of Montana, 1947, as amended or added to by Chapter 52, Laws of 1951; Chapter 17, Laws of 1955; Chapter 202, Laws of 1949; Chapter 217, Laws of

1953; Chapter 231, Laws of 1953; Chapter 210, Laws of 1955; Chapter 264, Laws of 1947; Chapter 212, Laws of 1953; Chapter 88, Laws of 1955; Chapter 240, Laws of 1953; Chapter 130, Laws of 1947; Chapter 168, Laws of 1949; Chapter 198, Laws of 1949; Chapter 221, Laws of 1953; Chapter 212, Laws of 1955; and Chapter 162, Laws of 1955.

Section 18. EFFECT OF ADJUDICATION ACT UNCONSTITUTIONAL. If any section,sentence, clause or phrase of this law is for any reason held to unconstitutional or invalid, such decision shall not affect the validity of the remaining portion of this law. The legislative assembly of the state of Montana hereby declares that it would have passed this law irrespective of the fact that any one or more sections, sentences, clauses, or phrases may be declared unconsitutional or invalid.